

Business Responsibility Report

[Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

PREFACE

Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015) read with SEBI circular dated 04th November, 2015 and its amendment dated 22nd December, 2015 had mandated that with effect from the Financial Year 2016-17, the annual report of top 500 listed companies should include a Business Responsibility Report (BRR) in the format prescribed by SEBI. Since Inox Wind Limited (hereinafter referred to as IWL or the Company) is a part of top 500 listed companies (based on market capitalisation as on 31st March, 2017) as per the list hosted on the websites of the BSE and NSE, it is required to publish a BRR in its Annual Report for Financial Year 2016-17. This report serves as the BRR for IWL, to which the said requirement became applicable for the first time in Financial Year 2016-17. It is in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011.

The BRR of the Company in the format prescribed at Annexure I of the said circular is given hereunder and it describes initiatives taken by the Company during the Financial Year 2016-17:

Section A		General Information about the Company
1	Corporate Identification Number of the Company	L31901HP2009PLC031083
2	Name of the Company	Inox Wind Limited
3	Registered Address	Plot No. 1, Khasra Nos. 264 to 267, Industrial Area Village Basal, District Una -174303, Himachal Pradesh
4	Website	www.inoxwind.com
5	Email id	investors.iwl@inoxwind.com
6	Financial year reported	2016-17
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing (2710)
8	3 key products/services manufactured/provided by the Company	Wind Turbine Generators (WTGs) and its components
9	Total number of locations where business activity is undertaken by the Company	
	a Number of International Locations (Provide details of major 5)	NIL
	b Number of National Locations	3 Plants –Madhya Pradesh, Himachal Pradesh and Gujarat Marketing Offices –Vadodara, Mumbai, Chennai, Ahmedabad, Hyderabad and Surat Corporate Office- Noida
10	Markets served by the Company –Local/ State/ National/ International	National
Section B		Financial details of the Company
1	Paid up Capital (INR)	22192 lakhs
2	Total Turnover (INR)	286322 lakhs
3	Total profit after taxes (INR)	25577 lakhs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	0.65%
5	List of the activities in which expenditure in 4 above has been incurred	Activities related to promotion of education, healthcare and environment conservation

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Section C	Other details	
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D	BR information			
1)	Details of Director(s) responsible for BR			
(a)	Details of the Director/Director responsible for implementation of the BR policy/policies:			
1	DIN Number	00035371	01819331	01773304
2	Name	Shri Deepak Asher	Shri Devansh Jain	Shri Rajeev Gupta
3	Designation	Director	Whole-time Director	Whole-time Director
(b)	Details of the BR head:			
1	DIN Number (if applicable)	N.A.		
2	Name	Shri Kailash Lal Tarachandani		
3	Designation	CEO		
4	Telephone number	0120-6149600		
5	e-mail id	kailash.tarachandani@inoxwind.com		

2)	Principle-wise (as per NVGs) BR Policy/Policies									
(a)	Details of compliance (Reply in Y/N)									
No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for....	Y	Y	N	Y	N	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y		Y		Y		Y	Y
3.	Does the policy conform to any national/ International standards? If yes, specify? (50 words)	N	Y (ISO, OHSAS)		N		Y (ISO, OHSAS)		N	Y (ISO)
4.	Has the policy being approved by the Board?	Y	Y		Y		Y		Y	Y
	If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y		Y		Y		Y	Y

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No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y		Y		Y		Y	Y
6.	Indicate the link for the policy to be viewed online?	#			#				#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y		Y		Y		Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y		Y		Y		Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	N	N		N		N		N	N
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N		N		N		N	N

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b) if answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)			1		1		2		

- 1) While the Company does not have a specific policy for this principle, it has an HR Operations Manual that provides guidance for governing various aspects related to its employees, including employee grievance redressal.
- 2) As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy.

3) Governance related to BR

a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The business responsibility performance of the Company is assessed annually by the BRR Committee constituted by the Board of Directors of the Company at its meeting held on 6 th May, 2016.
b)	Does the Company publish BR or Sustainability Report? What is hyperlink for viewing this report? How frequently it is published?	The requirement of publishing BRR is made applicable to the Company from the Financial Year 2016-17. BRR of Financial Year 2016-17 is placed on the website of the Company: www.inoxwind.com

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Section E Principle –wise performance

Certain key principles to assess fulfilment of the requirement by the Company and a description of core elements under the principles as detailed in Annexure II of the referred SEBI circular are narrated below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

IWL has formulated a Code of Conduct (CoC) to ensure that the business of the Company is conducted in accordance with the highest standards of ethics and values, while complying with the applicable laws and regulations. The CoC encourages each and every Director and Officer of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working at the Company's premises/ offsite locations/ Company's sponsored business and social events, and / or at any other place where they represent the Company. Any instance of non-compliance of any of the provisions of the CoC is treated as a breach of ethical conduct and is viewed seriously by the Company. The Company also has a Whistle Blower Policy which is a mechanism to reinforce implementation of the Company's CoC which encourages each and every Director and Officer of the Company to take positive actions which not only commensurate with the Company's belief but are also perceived to be so. This Policy provides all employees and Directors of the Company and its subsidiaries a mechanism to report improper acts and provides adequate safeguards against victimization.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes, the policy relating to ethics, bribery and corruption covers the Company and its Subsidiary Companies.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the Financial Year 2016-17, the Company had received 6 complaints related to non-receipt of shares and refund of share application money pertaining to the Initial Public Offer (IPO) and all the 6 complaints were resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

IWL has a Safety, Health & Environment (SHE) Policy that acts as a guiding document for protection of environment and ensuring safety of its employees. It underlines the need for integrating SHE considerations into business planning and decision making. This policy demonstrate the Company's commitment towards improving its SHE performance in a continual manner.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- a. Blades
- b. Towers

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

There is continuous improvement in the blade production process at the Ahmedabad plant which has reduced the consumption of raw materials like glass fabric, epoxy resin, hardener, and paint. This has reduced the blade weight by 250 kilos/blade, taking the annual savings in raw materials to about 130 tonnes per annum. Similarly at Ahmedabad Plant, there is an improvement in the production process of steel towers. This has reduced the consumption of raw materials like paint, welding electrode and steel grits. Moreover, the plant has reduced water consumption from 127 KL/day to 57 KL/day, amounting to annual savings of 25800 KL in the Financial Year 2016-17. During this period, the energy consumption of the plant also reduced by 28590 kWh. Similar initiatives at the Una plant have reduced the water consumption by 5 %.

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- b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

IWL manufactures Wind Turbine Generators (WTG) that are used by its consumers to generate wind energy and they do not require any major inputs to run WTG apart from wind, which is a natural resource.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof in 50 words or so.

The precise technical specifications of IWL's products limits the options with respect to procurement of raw materials and components. For some components, wherever possible, the Company strives to maximize procurement from local suppliers to reduce the amount of fuel used for transportation.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, wherever possible goods are procured from local suppliers. They are supported in enhancing their capacity through financial assistance and vendor training programmes, covering topics related to new technology and energy efficiency.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The sewage generated at IWL's plants is treated at in-house Sewage Treatment Plants (STP) and the treated water is used for gardening within the plant premises. The waste glue generated in the production process is used to make bricks that are used for constructing the plant boundary. This has led to an annual reduction of about 42 tonnes in the quantity of waste being disposed. Use of root rings for barricading and fencing activities has helped to reuse about 126 tonnes of material annually. The Company has also increased its focus on co-processing of waste to recover energy from it. In the reporting year, about 1500 tonnes of waste generated at the plants was co-processed in cement kilns.

Principle 3: Businesses should promote the well-being of all employees

The Company has an HR Operations Manual that provides guidance and policies for governing various aspects related to its employees. It includes guidelines on employee evaluation and performance management, training and development, employee/contractor grievance redressal and employee relationship management. It also includes guidelines on prevention, prohibition and redressal of sexual harassment of women at workplace.

1. Please indicate the total number of employees.

The Company has a total of 3125 employees.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

The Company has a total of 399 employees hired on temporary/contractual/casual basis.

3. Please indicate the number of permanent women employees.

The Company has 11 permanent women employees.

4. Please indicate the number of permanent employees with disabilities

The Company does not have any permanent employee with disabilities.

5. Do you have an employee association that is recognized by management.

The Company does not have any employee association that is recognized by the management.

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6. What percentage of your permanent employees is members of this recognized employee association?

Not applicable since the Company does not have a recognized employee association.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

IWL provides on-the-job as well as off-the-job training opportunities for its employees. The on-the-job training is directly related to employees' line of work, whereas the off-the-job training involves training in specific new skills. To identify the most relevant trainings for its employees, the Company has adopted the 'Skill Will' matrix. This has helped to increase employee productivity and build a high performance culture. Following is the employee training record for the reporting year:

Permanent Employees	92%
Permanent Women Employees	Nil
Casual/Temporary/Contractual Employees	51%
Employees with Disabilities	Not Applicable

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company has a Corporate Social Responsibility (CSR) Policy, which is guided by the philosophy of IWL and delineates its responsibility as a responsible corporate citizen. The CSR Policy of the Company lays down the guidelines and mechanism to undertake programmes for social welfare and sustainable development of the community at large. The objective of the Policy is to enhance value creation by the Company in the communities in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community. The Company ensures that its business is conducted in an economically, socially and environmentally sustainable manner, while recognising the interests of all its stakeholders.

1. Has the company mapped its internal and external stakeholders? Yes/No

IWL takes into account the well being of all individuals directly or indirectly associated with it, though a formal mapping of the internal and external stakeholders has not been conducted.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

While there has not been any formal identification of the disadvantaged stakeholders, the Company's primary welfare activities are focussed on children, women, elderly, farmers, and socially & economically backward groups in the geographies that have been selected.

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- Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof in 50 words or so.

Some of the initiatives undertaken by the Company include:

- Monetary assistance to female students and students from poor families for covering education related expenses.
- Financial assistance for water conservation initiatives at the farm or community level.

Principle 5: Businesses should respect and promote human rights

The HR Operations Manual of the Company contains detailed guidelines in relation to the process and approach for raising and resolving staff grievances. These might include cases of unfair, unlawful, unjust or discriminatory act or situation. It also contains provisions for protection of the complainant from victimization.

- Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

The policy extends to Contract Labour, Vendors and all other stakeholders.

- How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholder complaint has been received in the past financial year and none are pending as on 31st March, 2017.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

IWL has a Safety, Health & Environment (SHE) Policy that acts as a guiding document for protection of environment and ensuring safety of its employees. It underlines the need for integrating SHE considerations into business planning and decision making. This policy demonstrate the Company's commitment towards improving its SHE performance in a continual manner.

- Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.

The policy covers the Company as well as the suppliers and contractors associated with it.

- Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

In its effort to do its bit towards fighting climate change, IWL has adopted a number of initiatives to increase its energy efficiency, thereby reducing its carbon emissions.

- Does the company identify and assess potential environmental risks? Y/N

The Company captures environmental risks in accordance with the Aspect-Impact format of ISO-14001. Based on the identified environmental risks, appropriate control and monitoring measures are established to deal with them.

- Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No, the Company currently does not have any project related to Clean Development Mechanism.

- Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

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To reduce the electricity consumption in the plants, the roofs have been designed in such a manner that they allow maximum daylight utilization. There are dust extraction systems in place to control the dust level in the plants. Also, digitalization of records has helped in reducing the paper consumption at plants as well as at offices.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

All emissions and wastes generated by the Company in FY 2016-17 were within the applicable permissible limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show cause/ legal notices from CPCB/SPCB are pending as on 31st March, 2017.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

As a business which is not actively involved in any kind of advocacy activity, the Company does not find itself at a stage where it is in a position to formulate and implement relevant policy. However, it will continue to assess the evolving business and regulatory environment in future in this regard.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

The Company is a member of the following trade association:

- Federation of Indian Chamber of Commerce and Industries

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No, the Company has not advocated/lobbied through the above association.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR policy of IWL aims to enhance value creation in the society and in the community in which it operates. It aims to promote sustained growth for the society and community, in fulfilment of its role as a socially responsible corporate.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof

Some of the initiatives undertaken by the Company include:

- Monetary help for better access to health care facilities for women and the elderly people
- Financial assistance to improve the sanitation facilities.
- Financial support to conduct low till or any other practice of sustainable agriculture

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2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programmes are undertaken through in-house teams.

3. Have you done any impact assessment of your initiative?

The Company follows a systematic five step approach towards releasing funds for a project. The fifth step in this process includes a provision for seeking information regarding the impact of money spent, on the life of the beneficiary.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

Amount spent on CSR during the Financial Year 2016-17 - ₹ 166.25 lakhs

The details of community development projects undertaken by the Company include giving monetary assistance for:

- i. Girl child education (higher studies, post primary schooling, pursuing sports, pursuing a career etc.);
 - ii. Higher education of children;
 - iii. Improving sanitation facilities at home (Lavatory, drinking water, toilet/bathroom etc.);
 - iv. Providing health care facilities to girl child, women and elderly people;
 - v. Conducting low till or any other form of sustainable agriculture and
 - vi. Promoting water conservation at farm, home or in the community
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

The Company regularly engages with the local communities in the areas surrounding its Plants, since they are the prime and direct beneficiaries of its welfare activities. Through these interactions it ensures that its CSR initiatives are adopted by the local community and fulfil the needs of the target population.

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Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

IWL has a Quality Policy which aims to achieve the highest standards of quality in all business units' practices and operations. The Policy guides IWL employees to continually improve the performance of the Company while offering safe, cost effective and professional service to the customers. This can be achieved by incorporating customer feedback and improving on a continual basis.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

As of 31st March, 2017, 35.7% of customer complaints are pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company displays all product information on the product label as mandated by the local laws.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There was no pending stakeholder complaint against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour as on 31st March, 2017.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company continually interacts with its customers which helps it to understand their level of satisfaction from IWL products. However, as of now, IWL does not conduct any formal customer satisfaction surveys.