

# 18th ANNUAL REPORT 2012-13



**INDOWIND ENERGY LIMITED**



## INDOWIND ENERGY LIMITED

### BOARD OF DIRECTORS

Mr. Bala V Kutti	-	Chairman
Mr. K S Ravindranath	-	Whole Time Director
Mr. Niranjan R Jagtap	-	Independent Director
Mr. T.S. Raghavan	-	Independent Director

### COMPANY SECRETARY & Sr. VICE PRESIDENT - LEGAL

Mr. S. Diraviam

### AUDITORS

#### STATUTORY

V. Ramaratnam & Co  
Chartered Accountants

#### INTERNAL

S. Vasudevan & Associates  
Chartered Accountants

#### SUBSIDIARY

Indowind Power Pvt. Ltd.

#### BANKERS

Bank of India  
DCB Bank Limited  
Axis Bank Limited  
Canara Bank  
Export - Import Bank of India

#### REGISTERED OFFICE

"Kothari Buildings", 4th Floor,  
114, Mahatma Gandhi Road,  
Nungambakkam, Chennai - 600 034.  
Tel : 044-28330867 / 28331310  
Fax : 044-28330208.  
E-mail : [contact@indowind.com](mailto:contact@indowind.com)  
Website : [www.indowind.com](http://www.indowind.com)

#### REGISTRAR AND SHARE TRANSFER AGENT

M/s.Bigshare Services Pvt. Ltd.,  
E-2/3, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai - 400 072.  
Phone: 022-40430200  
Fax: 022-2847 5207  
Email: [flavia@bigshareonline.com](mailto:flavia@bigshareonline.com)

### CONTENTS

Notice to Shareholders.....	1
Directors' Report .....	4
Report on Corporate Governance .....	8
Auditors' Report .....	18
Balance Sheet .....	23
Profit & Loss Account .....	24
Cash Flow Statement .....	25
Notes on Accounts .....	26
<b>CONSOLIDATED FINANCIAL STATEMENT</b>	
Auditors' Report .....	48
Balance Sheet .....	50
Profit & Loss Account .....	51
Cash Flow Statement .....	52
Notes on Accounts .....	53
Attendance Slip / Proxy Form .....	77



## INDOWIND ENERGY LIMITED

### NOTICE TO THE SHAREHOLDERS

**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the Shareholders of Indowind Energy Limited will be held at 27th September 2013, Friday at the Hotel Savera, 146, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004, at 4.00 pm., to transact the following business.

#### **ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the audited Balance sheet as at 31<sup>st</sup> March 2013 and the Profit and Loss Account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of **Mr. Niranjan R. Japtap** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s.V.Ramaratnam & Co, Chartered Accountants, as Statutory Auditors.

#### **SPECIAL BUSINESS**

4. To consider & if thought fit, to pass with or without modification(s) the following as a **SPECIAL RESOLUTION**.

**“RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 and 311, Schedule XIII and other applicable provisions of the Companies Act, 1956, and the Articles of Association and subject to such approvals as may be required, consent of the Company be and is hereby accorded for the re-appointment of Mr. K.S. Ravindranath, as the Whole time Director of the Company on the terms and conditions as detailed below:

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| a. Period of Appointment          | 3 Years ( 1.11.2012 to 31.10.2015) |
| b. Nature of Appointment          | Contractual                        |
| c. Remuneration (Per Annum)       |                                    |
| 1. Salary (Basic + DA)            | Rs. 5,81,400/-                     |
| 2. Special Allowance              | Rs. 5,89,608/-                     |
| 3. Housing / House Rent Allowance | Rs. 1,93,800/-                     |
| 4. Transport Allowance            | Rs. 9,600/-                        |
| 5. Telephone Expenses             | Rs. 21,600/-                       |
| 6. Club Membership                | Rs. 20,000/-                       |
| d. Perquisites (Per Annum)        |                                    |

Perquisites shall be allowed in addition to both salary and special allowance mentioned above. However, it shall be restricted to an amount equal to the annual salary.

Perquisites are presently classified as follows:

- |  |              |
|--|--------------|
| 1. Medical Reimbursement<br>Expenses incurred for the appointee and his family | Rs. 15,000/- |
| 2. Leave and Leave Travel concession   | Rs. 38,760/- |
| 3. Educational allowance   | Rs. 6,000/-  |



## INDOWIND ENERGY LIMITED

### Minimum Remuneration

In the event of loss, absence or inadequacy of profits, in any financial year during the currency of tenure of Mr. K.S.Ravindranath the remuneration aforesaid shall be the minimum remuneration payable to him with the approval of the Central Government, if required.

### **NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The Proxy form duly completed stamped and signed should reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members seeking any information are requested to write to the company at least 10 days in advance so as to enable the company to keep the information ready.
4. Members are requested to bring their copy of the Annual Report to the Meeting.
5. Members are requested to bring with them the Attendance slip and hand it over at the entrance duly filled in and signed by them
6. The Register of Members and Share Transfer Book will remain closed from 18<sup>th</sup> September 2013 to 27<sup>th</sup> September 2013 (both days inclusive)
7. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members are requested to inform their change of address (with PIN code) e-mail id, nominations, etc., to the Registrars and share Transfer Agents (RTA) of the Company in respect of shares held in physical form and their Depository participants in respect of shares held in electronic form.
9. Information regarding the Directors proposed to be reappointed pursuant to clause 49 (IV) (G) of the Listing Agreement with Stock Exchanges is annexed.
- 10 In terms of Section 219 of the Companies Act, 1956 read with Clause 32 of the listing agreement, the Abridged Financial Statements are enclosed together with other documents prescribed. The full version of the Annual Report is available in the website of the Company and will be available for inspection at the Registered Office of the Company on all working days. Members desirous of receiving the full version of the Annual Report may write to the Registrar and Share Transfer Agent of the Company.

**BY ORDER OF THE BOARD  
For INDOWIND ENERGY LIMITED**

Place: Chennai  
Date: 10th August 2013.

**S. DIRAVIAM**  
Company Secretary &  
Sr. Vice President Legal



## INDOWIND ENERGY LIMITED

### Annexure to notice

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 4

The terms of appointment of Mr. K.S. Ravindranath, as Whole Time Director gets completed on 31<sup>st</sup> October 2012. The Board of Director in its meeting held on 25<sup>th</sup> October 2012, re-appointed him as the Whole Time Director of the Company for a further period of 3 years, on the said terms and conditions subject to the approval of Shareholders.

The Board recommends the above resolution for the consideration of the members.

None of the Directors, except Mr. K.S. Ravindranath is deemed to be interested in this resolution.

**BY ORDER OF THE BOARD  
For INDOWIND ENERGY LIMITED**

**S. DIRAVIAM**

Company Secretary &  
Sr. Vice President Legal

Place: Chennai  
Date: 10th August 2013.

#### **Brief Profile of Mr. Niranjana R. Jagtap**

He enrolled as an advocate to the bar council of Maharashtra and Goa in 1971. He further registered as an advocate on the original side of the High Court of Bombay in 1981 and was appointed as Notary-Greater Bombay by the Government of Maharashtra in 1983. He has been practicing in the firm NIRANJANA JAGTAP & CO since 1983. He joined the Board of Director's of the Company on March 28, 2005 and the information pertaining to him to be provided as required under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.

#### **Brief Profile of Mr. K.S. Ravindranath**

He is one of the first Directors of the Company. He is in charge of the technical operations of the Company and is instrumental in overseeing site selection, erection and installation of wind electric generators (WEG's), spares and maintenance of the WEG's. The information pertaining to him to be provided as required under Clause 49 of the Listing Agreement is furnished in the Report on Corporate Governance forming part of the Annual Report.



## INDOWIND ENERGY LIMITED

### REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS

To

The Members

Your Directors are pleased to present this 18<sup>th</sup> Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March 2013.

#### FINANCIAL HIGHLIGHTS

PARTICULARS	(Rs. in Lacs)	
	2012-13	2011-12
Income from operations	2194.15	2903.07
Other income	244.76	308.66
Depreciation and amortization expenses	806.40	817.75
Total expenses	2114.00	2846.81
Net Profit for the Year	322.59	410.16

#### THE PERFORMANCE

The company has earned its income from operation of Rs.2194.15 lacs for the period under review against Rs.2903.07 lacs for the previous year. The reduction in income was due to reduction in project sales during the year under review. Your company has achieved a net profit of Rs. 322.59 lacs against Rs.410.16 lacs of previous year. Your company has earned its other income amounting to Rs.244.76 lacs against Rs.308.66 lacs of previous year. The depreciation expenses for the period under review are Rs.806.40 lacs against the previous year depreciation expenses of Rs. 817.75 lacs. Similarly your company has its total expenses for the period under review amounting to Rs.2114.00 lacs, which is less by 26% than that of previous year total expenses which was Rs.2846.81 lacs. Since the profit earned for the year under review is inadequate and further, since your company is required to undertake its balance redemption obligation in respect of FCCB as per restructured terms, your directors are not in a position to recommend any dividend for the year under review.

With reference to the observations of Auditors in their independent audit report in respect of "Emphasis of Matter" and "Basis for Qualified opinion", information provided in Note No. 18 & 27.1 respectively under Notes on accounts are self-explanatory.

Similarly their observations in respect of "Report on other Legal and Regulatory Requirements", Your Directors wish to state that the Company has been accounting the carbon income on accrual basis as unbilled revenue. Based on events happened during the year, the irrecoverable amount has been written off as prior period items

#### FUTURE PLANS AND PROSPECTS

Your Company after successfully consolidating its operations by shifting the major portion of the power sale to Group Captive Customers has started realizing higher power purchase price per unit. The Company has currently increased its total operating capacity from 38 MW to 45. MW which is



## **INDOWIND ENERGY LIMITED**

mainly due to the funding of EXIM Bank, and expects to increase the power sale revenue by around 30% in the current year. Your company expects the grid evacuation to improve and will also enhance the actual realized PLF. Your company is expecting another 42233 No. of CERs to be issued in the 18 MW project shortly. Your company has currently started re-powering some of its old machines to make them yield, higher PLF which is expected to bear fruit in the current season

### **RISKS AND CONCERNS**

The high interest rate in the banking system and rupee depreciation and volatility continues to affect per MW CAPEX. The rupee depreciation has drastically affected the expansion plans to import WEGs as the CAPEX on such imported WEGs funded by dollar denominated loan will increase by 20 to 35% making the project unviable. At this juncture, raising ECB funds, Foreign Currency loan is considered highly risky. The grid availability and evacuation issue in Tamil Nadu continues to be a concern. Your Company has realized 64,702 No. of CERs from its registered projects from UNFCCC which are not yet sold in the market due to the low price of CERs currently prevailing.

### **OPPORTUNITIES AND THREATS**

The increased operating capacity and re-powering of old machines coupled with higher realization per unit is expected to improve the bottom line for your company. The continuous low price of CERs in the market makes it unviable to sell the CERs to realize carbon income.

### **STATUS OF FCCB**

You are aware that the company has raised 30Mn USD in the year 2007 by issuing FCCB which carried interest rate of 2.5% pa. The Trustee (Bank of New York, Mellon) on the instruction of a bond holder filed a winding up petition against the company before the Hon<sup>ble</sup> High Court of Madras alleging occurrence of default. Your company has denied the same among other grounds that the bonds have been restructured in June 2009. As per the restructured terms, these bonds carry zero interest and to be redeemed in December 2012 by paying 50% in cash and the balance 50% by mandatory conversion in to shares at the price prescribed under restructured terms. The Hon<sup>ble</sup> High Court has heard the arguments from both the sides and reserved their orders in July 2012. Orders are yet to be pronounced. In the mean while the company has redeemed 8.5Mn USD bonds.

### **DEPOSITS**

During the year, the Company has not accepted any deposits with in the meaning of the provisions of Sec.58A of the Companies Act 1956.

### **INDUSTRIAL RELATIONS AND PARTICULARS OF EMPLOYEES**

As of 31<sup>st</sup> March 2013, Your Company has 56 employees on its rolls at different locations including Senior Management Personnel, Engineers, Technicians and Trainees. Any new employees will be inducted in to permanent services of the Company after training, to fill up vacancies as when arises. Your company has not issued any shares under Employees' Stock option Scheme during the year under review.

The Company does not have any employee drawing salary in excess of the amount stipulated u/s 217 (2A) of the Companies Act, 1956.



## **INDOWIND ENERGY LIMITED**

### **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of the Annual Report.

In accordance with the general exemption granted by the Central Government under Section 212(8) of the Companies Act, 1956 in February 2011, the Balance Sheet, Profit and Loss Statement, Report of the Board of Directors and Report of the Auditors of the Subsidiary Company, is not attached to the Balance Sheet of your Company. The financial information relating to the Subsidiary Company in the aggregate has been disclosed in the consolidated financial statements, as required. Further,

- The annual accounts of the Subsidiary Company have been posted by your Company on its website [www.indowind.com](http://www.indowind.com)
- Annual accounts of the Subsidiary Company and related detailed information will be available for inspection by the members, at the registered office of the Company and will also be made available to the members upon request.

### **SUBSIDIARY**

- Indowind Power Private Limited (IPPL)

Indowind Power Private Limited (IPPL) has earned a Power income of Rs. 143.47 lacs for the period under review against Rs. 49.18 lacs of previous year and posted a net profit of Rs. 2.70 lacs during the period under review against Rs 0.31 lacs of previous year. The sundry debtors amounting to Rs.69.27 lacs for the year under review are Group Captive Consumers. The Authorised Capital of the Company is Rs. 1,10,00,000/- comprises of 11,00,000 equity shares of Rs. 10/- each. The issued and Paid up capital of the company comprises of 10,21,660 equity shares of Rs. 10/- each amounting to Rs.1,02,16,600 in which Indowind Energy Ltd holds 7,31,660 equity shares of Rs. 10/- each amounting to 71.61% of the total paid up capital.

### **DIRECTORS**

Mr. Niranjana R. Jagtap retires by rotation and being eligible offers himself for re-appointment.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to clause 2(AA) of Section 217 of the Companies Act, 1956, the Board of Directors hereby state that;

1. In the presentation of the Annual accounts, applicable standards have been followed and there are no material departures.
2. The Directors have selected such accounting policies and apply them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2013 and profit for the Company for the year ended 31<sup>st</sup> March 2013.
3. The Directors have taken proper and sufficient care in the maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.





## **INDOWIND ENERGY LIMITED**

### **CORPORATE GOVERNANCE**

Your Company has complied with the requirements regarding Corporate Governance as required under revised clause 49 of the Listing agreement entered in with the Stock exchanges where the Company's shares are listed. A Report on the Corporate Governance in this regard is made as a part of this Annual Report and a certificate from the Auditors of Your Company regarding compliance of the conditions of the Corporate Governance is attached to this report.

### **LISTING OF EQUITY SHARES**

Your Company's equity shares are continued to be listed on the Bombay Stock Exchange Ltd, Mumbai and National Stock Exchange of India Ltd., Mumbai, FCCBs are listed at Singapore Exchange Ltd., (SGX), GDRs are listed at Luxembourg Stock Exchange at Luxembourg during the year under review.

### **AUDITORS**

M/s. V.Ramaratnam & Co. retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

### **ADEQUACY OF INTERNAL CONTROL**

Your Company has effective and adequate internal control systems in combination with delegation of powers. The control system is also supported by internal audits and management reviews with documented policies and procedures.

M/s. S. Vasudevan & Associates are the Internal Auditors to continuously monitor and strengthen the financial control procedures in line with the growth operations of the Company.

### **PARTICULARS REQUIRED UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956**

The particulars required to be given in terms of section 217 (1) (e) of the Companies Act, 1956 regarding conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Foreign Exchange outgo are not applicable to Your Company.

### **ACKNOWLEDGEMENT**

The Directors wish to place on record their sincere thanks and gratitude to all its Bond holders, Share holders, Bankers, State Governments, Central Government and its agencies, statutory bodies, suppliers, and customers, for their continued co-operation and excellent support extended to the Company from time to time.

Your Directors place on record their utmost appreciation for the sincere and devoted services rendered by the employees at all levels.

For and on behalf of  
**BOARD OF DIRECTORS OF  
INDOWIND ENERGY LIMITED**

Place: Chennai-34  
Date: 10th August 2013.

**Bala V. Kutti**  
Chairman

**REPORT ON CORPORATE GOVERNANCE****INTRODUCTION**

The company is complying with the mandatory requirements of the Code of Corporate Governance (Code) introduced by the Securities and Exchange Board of India (SEBI) and incorporated in Clause 49 of the Listing Agreement in all material aspects, stipulated for listed companies.

**A) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The company is committed to the highest standards of corporate governance in all its activities and business practices. The Company looks at Corporate Governance as a measure to ensure sustained better financial performance and to serve the shareholders by providing better service. The Company considers Corporate Governance in its widest sense. The Corporate Governance measures the delivery of Company's objects with a view to translate the ability, opportunity into reality and results. The Board ensures better implementation of the key elements in Corporate Governance like transparency, disclosure, internal controls etc. It takes feedback into account in its reviews of the principles of commitment and growth to ensure better improvement and growth.

The following is the report on the practices of the company on major aspects of corporate governance:

**a) COMPOSITION OF THE BOARD**

The company has complied with the corporate governance norms in terms of constitution of the board. The Board comprises of 4 Directors details are given in Table 1.

**b) NUMBER OF BOARD MEETINGS**

Indowind Energy Limited held 4 Board Meetings during the year ended 31<sup>st</sup> March 2013. These were on 15<sup>th</sup> May 2012, 10<sup>th</sup> August 2012, 25<sup>th</sup> October 2012 and 4<sup>th</sup> February 2013.

**c) DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIP HELD**

Details of the above are given in table 1.

**Table 1: DETAILS ABOUT BOARD OF DIRECTORS OF INDOWIND ENERGY LIMITED**

Name	Designation	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Other Directorship (in Public Limited Companies)
Mr. Bala V. Kutti	Chairman	4	3	Yes	<ul style="list-style-type: none"><li>➤ M/s.Ind Eco Ventures Ltd</li><li>➤ M/s.Indus Finance Corporation Ltd.,</li><li>➤ M/s.Indonet Global Ltd.</li><li>➤ M/s.Loyal Credit &amp; Investments Ltd</li></ul>



## INDOWIND ENERGY LIMITED

Mr. K.S.Ravindranath	Whole time Director	4	3	Yes	Nil
Mr. Niranjana R Jagtap	# Independent Director	4	2	Yes	➤ M/s.Ind Eco Ventures Ltd
Mr. T.S. Raghavan	# Independent Director	4	4	Yes	➤ M/s.Tanfac Industries Ltd ➤ Empee Sugars & Chemicals Ltd ➤ Empee Distilleries Ltd ➤ Onelife Capital Advisors Ltd ➤ Hindustan Safe Deposit Lockers Ltd ➤ Viswapriya (India) Ltd ➤ Goodyield Forming Ltd ➤ Indus Finance Corporation Ltd

# Independent Director means a Director who, apart from receiving a Director's remuneration does not have any other material pecuniary relationship or transactions with the company, its promoters, its management, or its subsidiaries, which in the judgment of the Board may affect the independence of judgment of the Director.

None of the Directors is a member of more than 10 Board-level committees, or a Chairman of more than five such committees, as required under Clause 49 of the listing agreement.

### d) INFORMATION SUPPLIED TO THE BOARD:

Among others, this includes:

- a) Annual operating plans and budgets and any updates.
- b) Quarterly financial results of the company
- c) Minutes of meeting of Audit Committee and other committees of the Board
- d) Materially important show cause, demand, prosecution and penalty notices
- e) Fatal or serious accidents of dangerous occurrences
- f) Any materially relevant default in financial obligations to and by the company.
- g) Any issue which involves possible public claims of substantial nature
- h) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- i) Sale of material nature, of investments, assets, which is not in the normal course of business
- j) Any issue which involves possible public claims of substantial nature
- k) Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.



## INDOWIND ENERGY LIMITED

The Board of M/s. Indowind Energy Limited is routinely presented with information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings.

### e) COMMITTEES OF THE BOARD

#### 1) AUDIT COMMITTEE

A qualified and independent Audit Committee of the Board of the company is functioning. It monitors and supervises the Management's financial reporting process with a view to ensure accurate and proper disclosure, transparency and quality of financial reporting. The committee reviews the financial and risk management policies and also the adequacy of internal control systems and holds discussions with Statutory Auditors and Internal Auditors. This is enhancing the credibility of the financial disclosures of the company and also provides transparency.

The company continued to drive immense benefit from the deliberation of the Audit Committee comprising of three Directors, **Mr.T.S. Raghavan**, **Mr. Niranjan R. Jagtap** and **Mr.K.S. Ravindranath** who are highly experienced and having knowledge in project finance, accounts and company law. Mr. T.S. Raghavan is the Chairman of the Audit Committee. The minutes of each Audit Committee meeting are placed before, and discussed in full by the Board..

The Audit Committee met 4 times during the year ended 31<sup>st</sup> March 2013.

Attendance records of Audit Committee Members are given in Table 2.

**Table 2:**

Name of Director	No. of Meetings held	Meetings attended
Mr.T.S. Raghavan	4	4
Mr.Niranjan R. Jagtap	4	2
Mr. K.S. Ravindranath	4	2

The terms of reference of the Audit Committee are as follows:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of Auditor and the fixation of audit fees.
3. Approval of payment to Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference:
  - i. Matters required to be included in Director's responsibility statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act.
  - ii. Changes of any in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv. Significant adjustments made in the financial statement arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any party transactions.
  - vii. Qualifications in the draft audit report.



## INDOWIND ENERGY LIMITED

### II) SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders / Investors' grievance committee comprises of the following members of the Board as take in Table 3.

Table 3:

Name	Designation	Status	No. of meetings held	No. of meetings attended
Mr.T.S. Raghavan	Chairman	Non-Executive and Independent Director	4	4
Mr.K.S.Ravindranath	Member	Whole Time - Director	4	4
Mr.Niranjan R.Jagtap	Member	Non-Executive and Independent Director	4	4

The terms of reference of the Shareholders / Investor's Grievance Committee are as follows: The shareholder / Investors grievance committee shall be responsible to look into redressal of the grievances of the shareholders and non receipt of dividend if any.

### III) REMUNERATION COMMITTEE

The Remuneration Committee consists of the following members of the Board as stated in Table 4.

Table 4:

Name	Designation	Status
Mr.T.S.Raghavan	Chairman	Non-Executive and Independent Director
Mr. Bala V. Kutti	Member	Chairman
Mr.Niranjan R.Jagtap	Member	Non-Executive and Independent Director

The Committee met two times during the Financial Year 2012-13 ie, on 25<sup>th</sup> October 2012 and 4<sup>th</sup> February 2013.

The terms of reference of the Remuneration Committee of our Company are as follows:

The Remuneration Committee shall have all necessary powers and authority to ensure appropriate disclosure on the remuneration of the whole-time Director and to deal with all elements of remuneration package of all directors.

#### f) MANAGEMENT

Disclosure by management to the Board

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and interested Directors neither participate in the discussion, nor do they vote on such matters.

#### g) SHAREHOLDERS

##### a) Disclosure regarding appointment or re-appointment of Directors

According to the Articles of Association of Indowind, not less than 1/3<sup>rd</sup> of the Directors who are liable to retire by rotation, shall retire from office. All the Directors are eligible and are offering themselves for re-appointment as and when required.



## INDOWIND ENERGY LIMITED

**Mr. Niranjan R. Jagtap** is retiring at the conclusion of this AGM and being eligible, offers himself for re-appointment.

### b) Shareholding pattern of Directors:

As per the Articles of Association of the Company, the Directors need not hold any Equity Shares as Qualification Shares.

Details as to shareholding of the Directors are furnished in Table 5.

Table 5

Name of Director	No. of Shares held as on 31.3.2013	% of Paid-up Equity Share Capital
Mr. Bala V. Kutti	54,37,495	6.06
Mr.K.S.Ravindranath	1,784,995	1.99
Mr.Niranjan R. Jagtap	NIL	NIL
Mr.T.S.Raghavan	NIL	NIL
<b>Total</b>	<b>72,22,490</b>	<b>8.05</b>

### c) Registrar and Transfer Agent:

M/s. Big Share Services Pvt Ltd. who is registered with SEBI as a Category II Registrar, have been appointed as the registrar and share transfer agent of the company for both physical and electronic segment and have attended to share transfer formalities regularly.

### d) General Body Meetings

Details of last three annual general meetings are given in Table (6)

Table 6

Year	Location	Date	Time
2011-12	Hotel 'The Accord Metropolitan 35, G.N.Chetty Road, T.Nagar, Chennai 600 017	29/09/12	4.00 P.M
2010-11	Hotel 'The Accord Metropolitan 35, G.N.Chetty Road, T.Nagar, Chennai 600 017	29/09/11	4.00 P.M
2009-10	Hotel 'The Accord Metropolitan 35, G.N.Chetty Road, T.Nagar, Chennai 600 017	20/12/10	4.00 P.M

The following special resolution was passed in the previous general meetings

Date of AGM	Subject
20-12-2010	Resolution under sec 81(1A) of the companies Act 1956 enabling the company to issue GDR

There were no resolutions requiring approval through postal ballot during the last year and at present no such resolution is being proposed to be passed.



## INDOWIND ENERGY LIMITED

### e) Disclosures:

Disclosure on materially significant related party transactions i.e., transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

There are no materially significant related party transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

### f) General Shareholder Information:

#### i) 18<sup>th</sup> Annual General Meeting for the year 2013

Date	27.09.2013
Time	4.00 P.M
Venue	Hotel Savera 146, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.
Date of Book Closure	18.09.2013 to 27.09.2013 (Both days inclusive)
Registrar and Share Transfer Agent	M/s. Bigshare Services Pvt Ltd.

#### ii) Financial Calendar:

Adoption of the Quarterly Results for the quarter ending:

30 <sup>th</sup> June 2012	10 <sup>th</sup> August 2012
30 <sup>th</sup> September 2012	25 <sup>th</sup> October 2012
31 <sup>st</sup> December 2012	4 <sup>th</sup> February 2013
31 <sup>st</sup> March 2013	28 <sup>th</sup> May 2013

#### iii) Listing on Stock Exchanges at

<b>Bombay Stock Exchange Limited,</b> Registered Office: Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	<b>National Stock Exchange of India Limited,</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051.
--	---

#### iv) Scrip Code

Bombay Stock Exchange Limited	:	532894
National Stock Exchange of India Limited	:	INDOWIND
Demat ISIN Number in NSDL and CDSL	:	INE227G01018



## INDOWIND ENERGY LIMITED

### v) Market Price Data

Month & Year	NSE		BSE	
	Share Price (Rs.)		Share Price (Rs.)	
	High	Low	High	Low
April 2012	6.35	5.45	6.35	5.48
May	5.80	4.70	5.75	4.15
June	6.20	4.70	6.30	4.70
July	6.85	3.40	6.85	3.43
August	4.05	3.40	4.15	3.43
September	4.50	3.20	4.24	3.40
October	4.20	3.70	4.25	3.75
November	4.00	3.50	4.04	3.53
December	5.60	3.95	5.50	4.00
January 2013	4.70	3.60	4.80	3.67
February	4.40	3.60	4.42	3.50
March	4.15	3.00	3.92	3.05

### g) Means Of Communication:

As stipulated under Clause 41 of the Listing Agreement, the Quarterly Results are published in one English National Newspaper (News Today) and one Tamil Newspaper (Maalai Sudar) within 48 hours of the conclusion of the Board meeting in which the results are approved. They are also displayed in the website of the Company [www.indowind.com](http://www.indowind.com)

The Company's website also displays official press/news releases and several other details/information of interest to various stakeholders, including the complete Annual Reports and shareholding pattern.

### h) Distribution of Shareholding (In Shares) as on 31.3.2013

Shareholding	Number of Shareholders	% of total	Shares	% of total
1 -- 500	27671	69.6021	4849141	5.4035
501 -- 1000	5019	12.6245	4295227	4.7862
1001 -- 2000	3086	7.7624	4883094	5.4413
2001 -- 3000	1168	2.9379	3038327	3.3856
3001 -- 4000	664	1.6702	2418847	2.6953
4001 -- 5000	540	1.3583	2585211	2.8807
5001 -- 10000	851	2.4106	6454869	7.1927
10001 and above	757	1.9041	61216770	68.2146
<b>Total</b>	<b>39756</b>	<b>100.0000</b>	<b>89741486</b>	<b>100.0000</b>





## INDOWIND ENERGY LIMITED

Shareholding Pattern

Name of the Company: INDOWIND ENERGY LIMITED

Quarter ending: 31.03.2013

Statement Showing Shareholding Pattern								
Name of the Company : INDOWIND ENERGY LIMITED								
Scrip Code : 532894                      Quarter Ended : 31 <sup>st</sup> March 2013								
Category Code	Category of Shareholder	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) <sup>1</sup> (VI)	As a percentage of (A+B+C) (VII)	Number of Sahres (VIII)	As a percentage (IX) = (VIII) (IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>(A)</b>	<b>Promoter and Promoter Group</b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals / Hindu Undivided Family	4	8553490	6012495	9.53	9.53	0	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	4	21954670	17071516	24.46	24.46	4000000	18.22
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Others(Specify)							
	<b>Sub Total (A)(1)</b>	<b>8</b>	<b>30508160</b>	<b>23084011</b>	<b>34.00</b>	<b>34.00</b>	<b>4000000</b>	<b>13.11</b>
<b>2</b>	<b>Foreign</b>							
a	Individuals (Non - Residents Individuals / Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
b	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
c	Institutions	0	0	0	0.00	0.00	0	0.00
d	Any Others(Specify)							
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>8</b>	<b>30508160</b>	<b>23084011</b>	<b>34.00</b>	<b>34.00</b>	<b>4000000</b>	<b>13.11</b>
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds / UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions / Banks	1	250000	250000	0.28	0.28	0	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Any Other (specify)							
	<b>Sub-Total (B)(1)</b>	<b>1</b>	<b>250000</b>	<b>250000</b>	<b>0.28</b>	<b>0.28</b>	<b>0</b>	<b>0.00</b>



## INDOWIND ENERGY LIMITED

**Statement Showing Shareholding Pattern**  
**Name of the Company : INDOWIND ENERGY LIMITED**  
**Scrip Code : 532894 Quarter Ended : 31<sup>st</sup> March 2013**

Category Code	Category of Shareholder	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B) (VI)	As a percentage of (A+B+C) (VII)	Number of Sahres (VIII)	As a percentage (IX) = (VIII) (IV)*100
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>2</b>	<b>Non-institutions</b>						0	0.00
(a)	Bodies Corporate	583	11889125	11889125	13.25	13.25	0	0.00
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	38172	26967809	26966458	30.05	30.05	0	0.00
II	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	568	16676848	16676848	18.58	18.58	0	0.00
(c)	Trusts	1	50	50	0.0001	0.0001	0	0.00
( d )	Any Other (specify)							
(d-i)	Clearing Member	55	1515205	1515205	1.69	1.69	0	0.00
(d-ii)	NRI (Repat)	351	1895229	1895229	2.11	2.11	0	0.00
(d-iii)	Directors / Relative & Friends	12	39060	6600	0.05	0.04	0	0.00
	<b>Sub-Total (B)(2)</b>	<b>39742</b>	<b>58983326</b>	<b>58949515</b>	<b>65.73</b>	<b>65.73</b>	<b>0</b>	<b>0.00</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>39020</b>	<b>42903826</b>	<b>42871331</b>	<b>59.39</b>	<b>47.81</b>	<b>0</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>39751</b>	<b>89741486</b>	<b>82283526</b>	<b>100.00</b>	<b>100.00</b>	<b>4000000</b>	<b>4.46</b>
<b>(C)</b>	Shares held by Custodians and against which Depository Receipts have been issued							
(c-i)	Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(c-ii)	Public	0	0	0	0.00	0.00	0	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>39751</b>	<b>89741486</b>	<b>82283526</b>	<b>100.00</b>	<b>100.00</b>	<b>4000000</b>	<b>4.46</b>



## INDOWIND ENERGY LIMITED

### Dematerialization of shares and Liquidity

91.69% Share are held in demat as on 31<sup>st</sup> March 2013 and the balance 8.31% are in Physical form. The shares of the Company are listed in Bombay Stock Exchange Limited and National Stock Exchanges of Indian Ltd.,

#### Address for correspondence:

1) Indowind Energy Limited "Kothari Building" 4 <sup>th</sup> Floor, 114, M.G. Road, Nungambakkam, Chennai - 600 034. Phone: 044-2833 0867/ 2833 1310 Fax: 044-2833 0208 Email: diraviam@indowind.com	2) M/s.Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. Phone: 022-40430200 Fax: 022-2847 5207 Email: flavia@bigshareonline.com
--	---

### CERTIFICATE OF COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **M/s. Indowind Energy Limited**, for the year ended **31<sup>st</sup> March 2013**, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investor's Grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **V. RAMARATNAM & CO**  
Chartered Accountants

**R. SUNDAR**  
Partner

Membership No. 12339

Place: Chennai  
Date: 10th August 2013.

### DECLARATION BY CHAIRMAN

This is to declare that the respective Code of Conduct envisaged by the Company for Members of the Board and Senior Management Personnel have been complied with by all the members of the Board and Senior Management Personnel of the Company.

**ON BEHALF OF THE BOARD**  
**For INDOWIND ENERGY LIMITED**

**Bala V. Kutti**  
Chairman

Place: Chennai  
Date : 10th August 2013.



## AUDITORS' REPORT TO SHAREHOLDERS

To the Members of  
Indowind Energy Limited.

### Report on the Financial Statements

We have audited the accompanying financial statements of **Indowind Energy Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis for Qualified Opinion

***The company had made payment for machinery advance to the tune of \$15.25 million (i.e. Rs. 68,99,14,581/-). There has been a delay in the supply of machinery and release of bank funds, as a result the completion of the project has been delayed. The company on its part has initiated arbitration proceeding. No provision has been made for any potential losses which may arise in the future on this project.***

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matter described in the paragraph "Basis for Qualified Opinion"***, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



## INDOWIND ENERGY LIMITED

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matter

***We draw your attention to the following notes on which we are not expressing qualified opinion as it does not affect the financial statements materially:***

**Loss arising out of foreign currency fluctuations out of partial settlement of Foreign Currency Convertible Bonds and certain advances have been classified as unamortised expenses, grouped under 'Other Current Assets' to be written off over the period of time. In the case of loss arising out of foreign currency fluctuation, the decision to write-off will be taken after meeting the entire foreign currency convertible bonds redemption commitments. [(refer 18(a)(ii))]**

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 ***except Accounting Standard 5 on Net Profit or Loss for the period, Prior Period Item & Changes in Accounting Policies. CER Income recognised in earlier years due to its non-recoverability to the tune of Rs.3,09,67,422/- has been treated as Prior period item and an amount equivalent to it has been withdrawn from reserves. In our opinion, it has to be treated as Bad - Debts written off during the current year and consequently, Profits for the year to that extent are overstated;***
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For V. Ramaratnam & Co**  
**Chartered Accountants**  
FRN: 002956S

**R. Sundar**  
**Partner**

Membership No. : 012339

Place: Chennai  
Date: 28-May-2013



**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Indowind Energy Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2013.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loan to companies, listed in the register maintained under Section 301 of the Companies Act, 1956.  
(b) The Company has granted loan and advances to 5 parties that are covered in the register maintained under Section 301 of the Act. The amount involved during the year and the year-end balance of such loans aggregates to Rs.7,78,56,694/- & Rs.51,29,42,982/- respectively.  
The Company has not taken loan from the parties that are covered in the register maintained under Section 301 of the Act.  
(c) In our opinion the rate of interest and other terms and conditions on which loans have been granted to companies, firms or other parties listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the company.  
(d) The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.  
(e) There is no overdue amount of loans granted to companies listed in the registers maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.



## INDOWIND ENERGY LIMITED

- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act exceeds five lacs rupees in a financial year are made under any contracts or arrangements at the price at which it is made are reasonable to prevailing market price.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, there is no formal internal audit department but the Company has an internal audit system which commensurates with its size and the nature of its business. External Audit Firm is doing Internal Audit periodically and their scope of the audit carried out is adequate.
8. As per information & explanation given by the management and in our opinion, the company has maintained the required cost records as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of Income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes **except the following:**

Sl. No.	Act Under which the amount is payable	Year	Amount of Demand	Pending before
1.	<i>Income Tax</i>	<i>A.Y. 1998 - 1999</i>	<i>2654944</i>	<i>CIT Appeals</i>
	<i>Income Tax</i>	<i>A.Y. 2004 - 2005</i>	<i>538759</i>	<i>High Court - Madras</i>
	<i>Income Tax</i>	<i>A.Y. 2006 - 2007</i>	<i>10985773</i>	<i>CIT Appeals</i>
	<i>Income Tax</i>	<i>A.Y. 2007 - 2008</i>	<i>5563470</i>	<i>CIT Appeals</i>
	<i>Service Tax</i>	<i>F.Y. 2007 - 2008</i>	<i>21483296</i>	<i>CESTAT</i>
	<i>Value Added Tax</i>	<i>F.Y. 2007 - 2008</i>	<i>2169024</i>	<i>High Court - Madras</i>
	<i>Value Added Tax</i>	<i>F.Y. 2008 - 2009</i>	<i>5440000</i>	<i>High Court - Madras</i>
		<b>Total</b>	<b>48835266</b>	
<b>Liability provided for in the books of account</b>				
	<i>Surcharge Gadag (Payable to BESCO)</i>	--	<i>4238741</i>	<i>High Court - Karnataka</i>



## INDOWIND ENERGY LIMITED

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a *nidhi* /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that, the EXIM Bank during the year has released the other part of Term Loan sanctioned in previous years to the extent of Rs.8,30,00,000/- and the loan has been utilised only for the purpose for which it is sanctioned.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**For V. Ramaratnam & Co**  
**Chartered Accountants**  
FRN: 002956S

**R. Sundar**  
**Partner**  
Membership No. : 012339

Place: Chennai  
Date : 28-May-2013



**INDOWIND ENERGY LIMITED****Balance Sheet as at 31 March, 2013**

Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	897,414,860	897,414,860
(b) Reserves and surplus	3	1,251,021,242	1,251,472,616
(c) Monies received against share warrants		-	-
		<b>2,148,436,102</b>	<b>2,148,887,476</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	4	783,349,163	765,475,100
(b) Deferred tax liabilities (net)	29.3	61,955,962	61,742,147
(c) Other long-term liabilities	5	-	10,007,300
(d) Long-term provisions	6	-	-
		<b>845,305,125</b>	<b>837,224,547</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	7	41,731,061	37,412,020
(b) Trade payables	8	12,679,944	9,175,716
(c) Other current liabilities	9	896,286,415	1,249,079,749
(d) Short-term provisions		-	-
		<b>950,697,420</b>	<b>1,295,667,485</b>
<b>TOTAL</b>		<b>3,944,438,647</b>	<b>4,281,779,508</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	1,483,953,073	1,550,566,639
		<b>1,483,953,073</b>	<b>1,550,566,639</b>
(b) Non-current investments	11	45,095,891	44,595,891
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	2,079,093,394	2,439,273,155
(e) Other non-current assets	13	23,426,336	59,587,430
		<b>3,631,568,694</b>	<b>4,094,023,115</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	14	41,866,883	56,805,941
(c) Trade receivables	15	59,739,272	114,530,816
(d) Cash and cash equivalents	16	54,010,946	4,511,025
(e) Short-term loans and advances	17	56,903,065	4,626,125
(f) Other current assets	18	100,349,787	7,282,486
		<b>312,869,953</b>	<b>187,756,393</b>
<b>TOTAL</b>		<b>3,944,438,647</b>	<b>4,281,779,508</b>

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar****Partner**

Place: Chennai - 600 034.

Date: 28th May, 2013

for and on behalf of the Board of Directors

**BALA V KUTTI***Chairman***RAGHAVAN T S***Director***RAVINDRANATH K S***Director***NIRANJAN R JAGTAP***Director***DIRAVIAM S***Company Secretary*



## INDOWIND ENERGY LIMITED

### Statement of Profit and Loss for the year ended 31 March, 2013

Particulars	Note No.	For the year ended 31 March, 2013 Rs.	For the year ended 31 March, 2012 Rs.
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	19	219,415,489	290,306,605
Revenue from operations (net)		219,415,489	290,306,605
2 Other income	20	24,476,156	30,865,893
<b>3 Total revenue</b>		<b>243,891,645</b>	<b>321,172,498</b>
<b>4 Expenses</b>			
(a) Cost of Power Generation	21.a	52,722,386	37,556,073
(b) Project Expenses	21.b	887,487	80,932,750
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-813,886	-1,356,335
(d) Employee benefits expenses	23	14,935,235	14,242,937
(e) Finance costs	24	39,167,029	49,282,213
(f) Depreciation and amortisation expense	10	80,639,894	81,775,215
(g) Other expenses	25	23,861,743	22,248,129
<b>Total expenses</b>		<b>211,399,888</b>	<b>284,680,982</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>32,491,757</b>	<b>36,491,516</b>
6 Exceptional items	26.a	-	-251,443
<b>7 Profit / (Loss) before extraordinary items and tax</b>		<b>32,491,757</b>	<b>36,742,959</b>
8 Extraordinary items		-	-
<b>9 Profit / (Loss) before tax</b>		<b>32,491,757</b>	<b>36,742,959</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		18,653	-
(b) Deferred tax		213,815	-4,273,178
		<b>232,468</b>	<b>-4,273,178</b>
<b>11 Profit / (Loss) from continuing operations</b>		<b>32,259,289</b>	<b>41,016,137</b>
<b>C TOTAL OPERATIONS</b>			
<b>14 Profit / (Loss) for the year</b>		<b>32,259,289</b>	<b>41,016,137</b>
<b>15.i Earnings per share (of Rs.10/- each):</b>			
(a) Basic			
(i) Continuing operations		0.36	0.46
(ii) Total operations		0.36	0.46
(b) Diluted			
(i) Continuing operations		0.36	0.46
(ii) Total operations		0.36	0.46

#### See accompanying notes forming part of the financial statements

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar**

**Partner**

Place: Chennai - 600 034.

Date: 28th May, 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**

*Chairman*

**RAGHAVAN T S**

*Director*

**RAVINDRANATH K S**

*Director*

**NIRANJAN R JAGTAP**

*Director*

**DIRAVIAM S**

*Company Secretary*



## INDOWIND ENERGY LIMITED

### Cash Flow Statement for the year ended 31 March, 2013

Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		32,259,289		41,016,137
<i>Adjustments for:</i>				
Depreciation and amortisation	80,639,894		79,619,907	
Lease rental amortisation	720,000		-	
Finance costs	39,149,239		49,282,213	
Interest income	-16,508,397		-21,290,709	
Rental income from investment properties			-17,000	
Net unrealised exchange (gain) / loss	-	104,000,736		107,594,411
Operating profit / (loss) before working capital changes		<b>136,260,025</b>		<b>148,610,548</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	14,939,058		33,981,587	
Trade receivables	54,791,544		171,235,548	
Short-term loans and advances	-52,276,940		-3,086,203	
Long-term loans and advances	360,179,761		-1,684,874,687	
Other current assets	-93,067,301		11,710,640	
Other non-current assets	36,161,094		466,027,003	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	3,504,228		-20,101,116	
Other current liabilities	-352,793,334		1,243,265,012	
Other long-term liabilities				-
Short-term provisions				-
Long-term provisions		-28,561,890		218,157,784
		<b>107,698,135</b>		<b>366,768,332</b>
Cash flow from extraordinary items				
Cash generated from operations		107,698,135		366,768,332
Net income tax (paid) / refunds				
<b>Net cash flow from operating activities (A)</b>		<b>107,698,135</b>		<b>366,768,332</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-14,746,328		-280,976,650	
Proceeds from sale of fixed assets			106,960,449	
Purchase of long-term investments	-500,000		-6,980,000	
Interest received - Associates	16,508,397		9,192,712	
Interest received - Others			12,097,997	
Rental income from investment properties			17,000	
		1,262,069		-159,688,492
Investment in Fixed Deposits (Other than Cash Equivalents as per AS-3)		-38,500,000		-
Cash flow from extraordinary items				
<b>Net cash flow from investing activities (B)</b>		<b>-37,237,931</b>		<b>-159,688,492</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares			400,000,000	
Proceeds from issue of equity shares - Share Premium A/c			414,027,500	
Redemption / buy back of preference / equity shares			-40,000,000	
Transfer from Reserve.....			-27,142,527	
Share application money received / (refunded)			-19,090,000	
Increase / (Decrease) in long-term borrowings	17,874,063		-849,486,288	
Increase / (Decrease) in Deferred Tax Liability	213,815		-4,273,178	
Increase / (Decrease) in other long-term liabilities	-10,007,300			
Increase / (Decrease) in Reserves	-32,710,663		-34,910,000	
Net increase / (decrease) in working capital borrowings				-
Increase / (Decrease) in short-term borrowings	4,319,041		4,161,465	
Misc Expenses				
Finance cost	-39,149,239	-59,460,283	-49,282,213	-205,995,241
<b>Net cash flow from financing activities (C)</b>		<b>-59,460,283</b>		<b>-205,995,241</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>10,999,921</b>		<b>1,084,599</b>
Cash and cash equivalents at the beginning of the year		4,511,025		3,426,426
<b>Cash and cash equivalents at the end of the year</b>		<b>15,510,946</b>		<b>4,511,025</b>
<b>Cash and cash equivalents at the end of the year Comprising:</b>				
(a) Cash on hand		946,754		-
(b) Balances with banks		14,564,192		4,511,025
		<b>15,510,946</b>		<b>4,511,025</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar**

Partner

Place: Chennai - 600 034.

Date: 28th May 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**

Chairman

**RAGHAVAN T S**

Director

**RAVINDRANATH K S**

Director

**NIRANJAN R JAGTAP**

Director

**DIRAVIAM S**  
Company Secretary



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

Note	Particulars
<b>1</b>	<b>Corporate Information</b> <p>The Company was incorporated on 19th July 1995 and having its registered office at Kothari building, 4th Floor, No.114, Mahatama Gandhi Salai, Nungambakkam, Chennai - 600 034.</p> <p>The Company is engaged in the business of Generation &amp; Distribution of Power through Windmill owned and also operates the Windmill owned by its Associate " Indus Finance Corporation Limited" on its behalf. The company engage itself in construction /assembling of Windmill on a turnkey project basis.</p>
<b>1.2</b>	<b>Significant accounting policies</b>
<b>1.2.1</b>	<b>Basis of accounting and preparation of financial statements</b> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>1.2.2</b>	<b>Use of estimates</b> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>1.2.3</b>	<b>Inventories</b> <p>Inventories are valued at the cost. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. In the case of unsold power, it is valued at net realisable cost.</p>
<b>1.2.4</b>	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
<b>1.2.5</b>	<b>Cash flow statement</b> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>



Note	Particulars
1.2.6	<b>Depreciation and amortisation</b> Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956, including on revaluation cost and the capitalisation of capital expenditure.
1.2.7	<b>Revenue recognition</b> <b>Sale of goods</b> Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. <b>Sale of power</b> Sale of power is recognised at the point generation of the power from the plant and stock points. <b>Income from services</b> Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion.
1.2.8	<b>Other income</b> Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established. Income from sale of CER (Carbon Credits) is accounted for based on eligibility criteria.
1.2.9	<b>Tangible fixed assets</b> Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. <b>Capital work-in-progress:</b> Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
1.2.10	<b>Foreign currency transactions and translations</b> <b>Initial recognition</b> Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.



Note	Particulars
	<p><b><u>Measurement of foreign currency monetary items at the Balance Sheet date</u></b></p> <p>Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p> <p><b><u>Treatment of exchange differences</u></b></p> <p>Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.</p> <p><b>1.2.11 Investments</b></p> <p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p><b>1.1.12 Employee benefits</b></p> <p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p><b>1.2.13 Defined contribution plans</b></p> <p>The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><b><u>Defined benefit plans</u></b></p> <p>Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur, as per the Life Insurance Corporation of India, with whom the Company has taken necessary policy under group Gratuity Scheme.</p> <p><b>1.2.13 Borrowing costs</b></p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an</p>



<b>Note</b>	<b>Particulars</b>
	<p>adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.</p>
<b>1.2.14</b>	<p><b>Segment reporting</b></p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.</p>
<b>1.2.15</b>	<p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p>
<b>1.2.16</b>	<p><b>Taxes on income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets and liabilities are offset if such items relate to taxes</p>



Note	Particulars
	<p>on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.</p>
<b>1.2.17</b>	<p><b>Impairment of assets</b></p> <p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.</p>
<b>1.2.18</b>	<p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.</p>
<b>1.2.19</b>	<p><b>Share issues expenses</b></p> <p>Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.</p>
<b>1.2.20</b>	<p><b>Insurance claims</b></p> <p>Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.</p>
<b>1.2.21</b>	<p><b>Service tax input credit</b></p> <p>Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is certainty in availing / utilising the credits.</p>
<b>1.2.22</b>	<p><b>Creation of Debenture Redemption Reserve</b></p> <p>The Companies Act, 1956 under section 117C requires every company to create a Debenture Redemption Reserve (DRR) to which 'adequate amounts' shall be credited out of its 'profits' every year until such debentures / bonds are redeemed, and shall utilize the same exclusively for such redemption. The Section requires that the amount to be credited as DRR has to be carved out of profits.</p> <p>There is no enough profits during the year for creation of DRR and it has been decided to meet the redemption liability when it become due.</p>





## INDOWIND ENERGY LIMITED

### Note 2 Share capital

### Notes forming part of the financial statements

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	100,000,000	1,000,000,000	100,000,000	1,000,000,000
Redeemable preference shares of Rs.10,000,000/- each	7	70,000,000	7	70,000,000
		<b>1,070,000,000</b>		<b>1,070,000,000</b>
(b) Issued				
Equity shares of Rs.10/- each with voting right	89,741,486	897,414,860	89,741,486	897,414,860
Redeemable preference shares of Rs.10,000,000/- each	-	-	-	-
		<b>897,414,860</b>		<b>897,414,860</b>
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	89,741,486	897,414,860	89,741,486	897,414,860
Redeemable preference shares of Rs.10,000,000/- each	-	-	-	-
		<b>897,414,860</b>		<b>897,414,860</b>
<b>Total</b>		<b>897,414,860</b>		<b>897,414,860</b>

**Notes: (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2013				
- Number of shares	89,741,486	-	-	89,741,486
- Amount (Rs.10/-each)	897,414,860	-	-	897,414,860
Year ended 31 March, 2012				
- Number of shares	89,741,486	-	-	89,741,486
- Amount (Rs.10/- each)	897,414,860	-	-	897,414,860

Particulars	Opening Balance	Fresh issue	Redemption	Closing Balance
Redeemable preference shares				
Year ended 31 March, 2013				
- Number of shares				
- Amount (Rs.10000000/-each)				
Year ended 31 March, 2012				
- Number of shares				
- Amount (Rs.10000000/-each)				

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
The Bank of Newyork Mellon	-	-	17,500,000	19.50
Bala KV	5,437,495	6.06	-	-
Loyal Credit and Investments Ltd	8,049,571	8.97	7,887,071	8.79
Indus Finance Corporation Ltd	6,421,765	7.16	6,494,265	7.24
Subuthi Investments Private Limited	6,988,334	7.79	6,988,334	7.79

**(iii) Aggregate number and class of shares allotted as fully paid up as bonus shares for the period of 5 years immediately preceding the Balance Sheet date:**

Particulars	Aggregate number of shares				
	As at 31.3.2012	As at 31.3.2011	As at 30.6.2010	As at 30.6.2009	As at 30.6.2008
Equity shares with voting rights	NIL	NIL	NIL	NIL	NIL
Fully paid up pursuant to contract(s) without payment being received in cash					
Fully paid up by way of bonus shares					



## INDOWIND ENERGY LIMITED

Notes forming part of the financial statements		
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<b>Note 3 Reserves and surplus</b>		
<b>(a) Capital reserve</b>		
Opening balance	19,090,000	–
Add: Additions during the year - Transfer from Forfeited Share Warrants Reserve	–	19,090,000
Less: Utilised / transferred during the year (give details)	–	–
Closing balance	<b>19,090,000</b>	<b>19,090,000</b>
<b>(b) Capital redemption reserve</b>		
Opening balance	–	25,000,000
Add : Transfer during the Year	–	–
Less : Transferred to General Reserve	–	25,000,000
Closing balance	–	–
<b>(c) Securities premium account</b>		
Opening balance	1,148,677,973	761,793,000
Add : Premium on shares issued during the year	–	414,027,500
Less : Utilised during the year for:		
Others - Issue Expenses set off	–	27,142,527
Closing balance	<b>1,148,677,973</b>	<b>1,148,677,973</b>
<b>(d) Revaluation reserve</b>		
Opening balance	<b>6,000,000</b>	<b>6,000,000</b>
<b>(e) General reserve</b>		
Opening balance	77,704,643	65,688,506
Add: Transferred from surplus in Statement of Profit and Loss	32,259,289	41,016,137
Transferred from Capital Redemption Reserve	–	25,000,000
Less: Others (Adjusted against Prior Period Items)	32,710,663	54,000,000
Closing balance	<b>77,253,269</b>	<b>77,704,643</b>
<b>(f) Forfeited Share Warrants Reserve</b>		
Opening balance	–	–
Add: Transferred from Share Application Money Pending Allotment	–	19,090,000
Less: Transferred to Capital Reserve	–	19,090,000
Closing balance	–	–
<b>Total</b>	<b>1,251,021,242</b>	<b>1,251,472,616</b>
<b>Note 4 Long-term borrowings</b>		
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<b>(a) Bonds / debentures</b>		
Unsecured - Foreign Currency Convertible Bond	–	–
<b>(b) Term loans (Refer Note (i) below)</b>		
From banks		
Secured	529,636,714	443,215,650
	<b>529,636,714</b>	<b>443,215,650</b>
From other parties		
Secured	253,712,449	322,259,450
	<b>253,712,449</b>	<b>322,259,450</b>
<b>Total</b>	<b>783,349,163</b>	<b>765,475,100</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Notes:

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security	As at 31 March, 2013		As at 31 March, 2012	
		Secured Rs.	Unsecured Rs.	Secured Rs.	Unsecured Rs.
Term loans from banks: EXIM Bank	Secured against the project WIP assets funded by the bank & further secured by way of pari passu charge on entire movable & immovable assets of the company excluding assets exclusively charged to other banks and also on the 40 lakhs equity shares held by Loyal Credit and Investments Ltd in Indowind Energy Ltd.  Only 50% of loan has been sanctioned and balance is yet to be released and Repayment starts only after the released of balance amount.	529,548,037		440,000,000	
Axix Bank-Vehicle Loan	Secured against the motor vehicles.	88,677	-	1,886,362	-
Kokak Bank-Vehicle Loan	Secured against the motor vehicles.	-	-	1,329,288	-
<b>Total</b>		<b>529,636,714</b>	<b>-</b>	<b>443,215,650</b>	<b>-</b>

Term loans from other parties:

Indian Renewable Energy Development Agency Limited	Secured against 6 WEGs of 1.5Mw each situated in the state of Karnataka	240,951,199	-	309,498,200	-
LIC Of India	Secured against the Key Man Policy and repayable on Maturity / surrender of Policy	12,761,250	-	12,761,250	-
<b>Total</b>		<b>253,712,449</b>	<b>-</b>	<b>322,259,450</b>	<b>-</b>

(ii) Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Bonds / debentures	NIL	NIL
Term loans from banks	NIL	NIL
Term loans from other parties	NIL	NIL

(iii) The Company has not defaulted in repayment of loans and interest thereon during the year under review.

**Note 5 Other Long-term liabilities**

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Payables on purchase of fixed assets	-	10,007,300
<b>Total</b>	<b>-</b>	<b>10,007,300</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

<b>Note 6 Long-term provisions</b>			
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.	
(a) Provision for employee benefits:	-	-	
(b) Provision - Others:	-	-	
<b>Total</b>	-	-	
<b>Note 7 Short-term borrowings</b>			
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.	
(a) Loans repayable on demand			
From banks			
Secured	41,731,061	37,412,020	
<b>Total</b>	<b>41,731,061</b>	<b>37,412,020</b>	
<b>Notes:</b> (i) Details of security for the secured short-term borrowings:			
Particulars	Nature of security	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Loans repayable on demand from banks:			
Bank of India	Secured against fixed assets	2,499,965	37,412,020
Axis Bank	Secured against vehicles	982,452	
Kotak Mahindra Bank	Secured against vehicles	248,644	
Indian Renewable Energy Development Agency Limited	Secured against 6 WEGs of 1.5Mw each situated in the state of Karnataka	38,000,000	
		<b>41,731,061</b>	
<b>Total</b>			<b>37,412,020</b>
<b>Note 8 Trade payables</b>			
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.	
Trade payables:	12,679,944	9,175,716	
<b>Total</b>	<b>12,679,944</b>	<b>9,175,716</b>	
<b>Note 9 Other current liabilities</b>			
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.	
(i) Current maturities of long-term debt (Refer Note (i) below)	889,128,958	1,243,180,130	
(ii) Statutory remittances	5,293,314	-	
(iii) Expenses Payable	1,864,143	5,899,619	
<b>Total</b>	<b>896,286,415</b>	<b>1,249,079,749</b>	
<b>Note (i):</b> Current maturities of long-term debt:			
Particulars	Terms of Issue	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Foreign Currency Convertible Bonds (Refer Note(ii) below & Note 27.8)	Out of 30 Mn USD Bonds, 8.5m redeemed out of 50% and balance of 50% is to be converted into equity, as per restructured terms.	889,128,958	1,243,180,130
<b>Total</b>		<b>889,128,958</b>	<b>1,243,180,130</b>
<p>Note (ii) : The company has raised funds through "Foreign Currency Convertible Bond" which has an option of 50% conversion to equity shares and it was due for redemption / conversion in December 2012. Since there is a suit pending against the company filed by its bond holders, the same has not yet redeemed or converted.</p> <p>The Debenture Redemption Reserve is required to be created only on the redemption value. The Bond holders has filed a winding-up petition and the company is seeking for 100% conversion to equity shares, it has been decided by the management to create reserve only upon the outcome of suit</p>			



## INDOWIND ENERGY LIMITED

### Note 10 FIXED ASSETS

A. Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2012	Additions	Disposals	Balance as at 31 Mar, 2013	Balance as at 1 April, 2012	Depreciation/ amortisation for the year	Eliminated on disposal of assets	Balance as at 31 Mar, 2013	Balance as at 31 Mar, 2012	Balance as at 31 Mar, 2013
	Rs	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Land										
Freehold Leasehold *	38,432,154 18,720,000	-	720,000	38,432,154 18,000,000	-	-	-	-	38,432,154 18,720,000	38,432,154 18,000,000
(b) Buildings	7,916,453	543,847	-	8,460,300	2,046,757	382,504	-	2,429,261	5,869,696	6,031,039
(c) Plant and Equipment	1,790,939,323	13,560,587	-	1,804,499,910	320,193,771	77,315,013	-	397,508,784	1,470,745,552	1,406,991,126
(d) Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-
(e) Vehicles	16,645,928	163,789	-	16,809,717	10,367,295	2,039,794	-	12,407,089	6,278,633	4,402,628
(f) Office equipment	19,325,053	478,105	-	19,803,158	8,804,449	902,583	-	9,707,032	10,520,604	10,096,126
<b>Total</b>	<b>1,891,978,911</b>	<b>14,746,328</b>	<b>720,000</b>	<b>1,906,005,239</b>	<b>341,412,272</b>	<b>80,639,894</b>	<b>-</b>	<b>422,052,166</b>	<b>1,550,566,639</b>	<b>1,483,953,073</b>

### Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
Depreciation and amortisation for the year on tangible assets	80,639,894	81,775,215
Depreciation and amortisation relating to continuing operations	<b>80,639,894</b>	<b>81,775,215</b>

\*Represents amount paid to Forest department of Karnataka towards lease rentals for the Chitradurga site.

The plant and Machinery includes Revaluation amount of Rs. 6,000,000/-

Whose WDV as on 31st March 2013 is Rs. 2,980,400/-



## INDOWIND ENERGY LIMITED

### Note 11 Non-current investments

Particulars	No. of Shares	As at 31st March, 2013			As at 31st March, 2012		
		Quoted Rs.	Unquoted Rs.	Total Rs.	Quoted Rs.	Unquoted Rs.	Total Rs.
Investment at Cost							
(a) Investment in equity instruments							
(i) of Subsidiary	731,560	-	7,905,000	7,905,000	-	7,405,000	7,405,000
Indowind Power Private Limited**							
of other entities	4,247	-	124,500	124,500	-	124,500	124,500
The Jain Sahakari Bank Limited							
India wind Power Limited	1,000,000	-	10,000,000	10,000,000	-	10,000,000	10,000,000
(b) Other non-current investments							
Key Man Insurance Policy		-	27,066,391	27,066,391	-	27,066,391	27,066,391
Total Investments		-	45,095,891	45,095,891	-	44,595,891	44,595,891
Less: Provision for diminution in value of investments		-	-	-	-	-	-
<b>Total</b>		-	45,095,891	45,095,891	-	44,595,891	44,595,891

\*\* Investment in Subsidiary includes Share Application Money paid amounting to Rs.5,89,400/-



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 12 Long-term loans and advances

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<i>(a) Capital advances / Guarantee Deposits</i>		
Secured, considered good		
- Others	508,401,055	380,154,889
- Related Parties	500,142,982	425,876,103
Unsecured, considered good		
- Others	1,031,831,127	1,345,078,174
- Related Parties	12,800,000	246,495,719
	<b>2,053,175,164</b>	<b>2,397,604,885</b>
<i>(b) Security deposits</i>		
Unsecured, considered good	2,858,430	2,858,430
<i>(c) Loans and advances to related parties</i>		
Unsecured, considered good	-	18,000,000
<i>(d) Balances with government authorities</i>		
(i) Income Tax Refund Due	15,711,246	15,711,238
(ii) Service Tax credit receivable	3,435,408	2,581,005
	<b>19,146,654</b>	<b>18,292,243</b>
<i>(e) Other loans and advances</i>		
Unsecured, considered bad / non recoverable		
- Others	3,913,146	2,517,597
<b>Total</b>	<b>2,079,093,394</b>	<b>2,439,273,155</b>

Note: Long Term Loans & Advances includes amount due from companies in which Director of the Company is also a Director:

#### Capital advances / Guarantee Deposits

##### Secured, considered good

Bewind Power Private Ltd	93,371,861	101,941,891
Bekae Properties Pvt Ltd	109,733,031	22,076,536
Loyal Credit and Investment Ltd	81,843,976	81,989,226
Indus Finance corporation limited	215,194,114	219,868,450

##### Unsecured, considered good

Bekae Properties Pvt Ltd	-	50,000,000
Indowind International - Dubai	-	196,460,527
Ravello Advertising Pvt Ltd	-	35,192
Indus Capital Private Limited	12,800,000	-

#### Note 13 Other non-current assets

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<i>(a) Long-term trade advances</i>		
Unsecured, considered good		
- Others	19,974,860	19,918,308
- Related Parties	3,451,476	39,669,122
<b>Total</b>	<b>23,426,336</b>	<b>59,587,430</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 14 Inventories

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Work-in-progress @ (Refer Note below)	38,108,592	47,302,006
	<b>38,108,592</b>	<b>47,302,006</b>
(b) Stock-in-trade - Energy Stock	3,758,291	9,503,935
	<b>3,758,291</b>	<b>9,503,935</b>
<b>Total</b>	<b>41,866,883</b>	<b>56,805,941</b>

Note: Details of inventory of work-in-progress

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Closing Stock	33,602,085	42,795,499
Work in Progress - Agri Division	4,506,507	4,506,507
	<b>38,108,592</b>	<b>47,302,006</b>

#### Note 15 Trade receivables

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	13,880,270	70,288,510
Other Trade receivables		
Unsecured, considered good	45,859,002	44,242,306
<b>Total</b>	<b>59,739,272</b>	<b>114,530,816</b>

#### Note 16 Cash and cash equivalents

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Cash on hand	946,754	454,730
(b) Balances with banks		
(i) In current accounts	14,564,192	4,056,295
(iii) In deposit accounts	3,000,000	-
- Other earmarked accounts (Refer Note (i) below)	35,500,000	-
(c) Others (specify nature)		
<b>Total</b>	<b>54,010,946</b>	<b>4,511,025</b>
Cash & Cash Equivalents as per AS-3 Cash Flow Statement issued by ICAI	15,510,946	4,511,025

Note (i) : Earmarked Deposit Account represents Fixed Deposits on which lien has been marked for the facility availed in EXIM Bank - Rs.330 lakhs & for FD Loan of Rs.25 lakhs.

#### Note 17 Short-term loans and advances

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Loans and advances to employees		
Unsecured, considered good	1,930,995	637,476
(b) Prepaid expenses - Unsecured, considered good	4,972,070	3,988,649
(c) Others - Secured, considered good	50,000,000	-
<b>Total</b>	<b>56,903,065</b>	<b>4,626,125</b>





## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 18 Other current assets

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Unamortised expenses		
(i) Share issue expenses	5,539,245	7,282,486
(ii) Others (Refer Note (i) below)	94,810,542	-
<b>Total</b>	<b>100,349,787</b>	<b>7,282,486</b>

#### Note (i)-

1. Note (i) : 1. "Others" include Rs.2,36,75,000/- representing Loss on account of Partial Redemption of Foreign Currency Convertible Bonds. Pending redemption of balance bonds the same is not written off. The Balance of Rs.7,11,35,542/- represents unamortised advances.

#### Note 19 Revenue from operations

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Sale of products @ (Refer Note (i) below)	219,415,489	200,306,605
(b) Sale of Projects @ (Refer Note (ii) below)	-	90,000,000
<b>Total</b>	<b>219,415,489</b>	<b>290,306,605</b>

  

Note	Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(i)	Sale of products - Power (Shown net off of Power share Payments made)	219,415,489	200,306,605
	<b>Total - Sale of products</b>	<b>219,415,489</b>	<b>200,306,605</b>
(ii)	Sale of Projects	-	90,000,000
	<b>Total - Sale of Projects</b>	<b>-</b>	<b>90,000,000</b>

#### Note 20 Other income

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Interest income (Refer Note (i) below)	16,508,397	21,290,709
(b) Other non-operating income (refer (ii) below)	7,967,759	9,575,184
<b>Total</b>	<b>24,476,156</b>	<b>30,865,893</b>

  

Note	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i)	Interest income comprises:		
	Interest from banks on deposits	9,267	12,097,997
	Interest income from associates	16,499,130	9,192,712
	<b>Total - Interest income</b>	<b>16,508,397</b>	<b>21,290,709</b>
(ii)	Other non-operating income comprises:		
	Rental income from investment properties		17,000
	Dividend Income	12,491	-
	CER Income	-	3,442,704
	Sale of Service Connection	-	468,000
	Others	7,955,268	5,647,480
	<b>Total - Other non-operating income</b>	<b>7,967,759</b>	<b>9,575,184</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 21.a cost of Generation of Power

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i) Direct Cost incurred at Power Generation Site	52,722,386	37,556,073
	<b>52,722,386</b>	<b>37,556,073</b>

#### Note 21.b Project Expenses

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(i) Purchases	813,886	80,841,476
(ii) Project Expenses	73,601	91,274
<b>Total Project Expenses</b>	<b>887,487</b>	<b>80,932,750</b>

#### Note 22 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
Inventories at the end of the year:		
Work-in-progress	33,602,085	42,795,499
Transfers from Project	10,007,300	37,898,077
	43,609,385	80,693,576
Inventories at the beginning of the year:		
Work-in-progress	42,795,499	79,337,241
	42,795,499	79,337,241
<b>Net (increase) / decrease</b>	<b>-813,886</b>	<b>-1,356,335</b>

#### Note 23 Employee benefits expenses

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
Salaries and wages	13,317,798	12,671,349
Contributions to provident and other funds	648,972	559,506
Staff welfare expenses	968,465	1,012,082
<b>Total</b>	<b>14,935,235</b>	<b>14,242,937</b>

#### Note 24 Finance costs

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Interest expense on:		
(i) Borrowings	39,149,239	49,053,004
(ii) Others - Processing Charges	-	229,209
(iii) Interest on TDS	17,790	-
<b>Total</b>	<b>39,167,029</b>	<b>49,282,213</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 25 Other expenses

Particulars	for the Year ended 31 March, 2013	for the Year ended 31 March, 2012
	Rs.	Rs.
Power and fuel	529,938	295,730
Rent including lease rentals	35,000	177,000
Repairs and maintenance - Buildings	1,727,225	1,757,440
Repairs and maintenance - Machinery	-	-
Repairs and maintenance - Vehicles	769,078	858,321
Insurance	436,961	690,558
Rates and taxes	1,473,516	2,285,363
Communication	535,788	720,687
Travelling and conveyance	4,589,546	4,450,786
Printing and stationery	472,854	436,165
Business promotion	2,679,507	2,156,827
AGM / EGM Expenses	1,138,889	1,649,576
Legal and professional	4,969,176	6,216,216
Security Charges	11,000	8,500
Bank Charges	45,988	68,925
Books & Periodicals	48,465	36,441
Payments to auditors (Refer Note (i) below)	300,000	171,240
Miscellaneous expenses	4,098,812	268,354
<b>Total</b>	<b>23,861,743</b>	<b>22,248,129</b>

#### Notes:

Particulars	for the Year ended 31 March, 2013	for the Year ended 31 March, 2012
	Rs.	Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	250,000	100,000
For taxation matters	50,000	40,000
For Certification matters	-	31,240
<b>Total</b>	<b>300,000</b>	<b>171,240</b>

#### Note 26. Exceptional items

Particulars	for the Year ended 31 March, 2013	for the Year ended 31 March, 2012
	Rs.	Rs.
Miscellaneous Expenses Written Off	1,743,241	1,743,241
Public Issue Expenses Written Off	-	12,020,163
Prior Period Items Written Off*	30,967,422	39,985,153
Less:	-	-
Transfer from Reserves	32,710,663	54,000,000
<b>Total</b>	<b>-</b>	<b>-251,443</b>

\*CER income recognised in earlier years has been written off as the amount billed has become irrecoverable. The same has been treated as Prior Period Item and an amount equivalent to such write off is transferred from Reserves.



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 27 Additional information to the financial statements

Note	Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
27.1	<b>Contingent liabilities and commitments (to the extent not provided for)</b> Income Tax: A Ys 1998-99, 2004-05, 2006-07 and 2007-08 Service Tax Asset : F Y 2007 -08 VAT : F Ys 2007 -08 and 2008 - 09	19,742,946 21,483,296 7,609,024	19,742,946 21,546,270 7,609,024
	The Company has contracts entered in various currencies for supply of projects, sale of Carbon Credits, capital and fund raising activities which carry foreign currency risk apart from penalties for not providing LC facilities for taking delivery, getting statutory approvals, release of funds in time, repayments etc. The company also has raised / certain rights to raise claims on counter parties, there may arise certain claims on the company and company has also raised / shall raise certain demands on the counter parties. The Company has not provided for such contingencies as of date. The Company may have to provide for such contingencies to the tune of Rs.20 to Rs.30 crores in future from the share premium account or provide as expenditure to be written off over a period of time as they are not arising out of regular operations of the company and are extraordinary in nature.		
27.2	<b>Details of unutilised amounts out of issue of securities made for specific purpose</b> During the year, the Company has closed the account kept in abroad and transferred the balance of USD 2,344 (Rs.1,19,544) on 27th February 2013 to its Bank in India.	USD	Rs.
	Particulars		
	Balance carried forward	2,344	119,544
	Less:		
	Funds transferred on closure of account maintained in abroad	2,344	119,544
	Balance to be utilised	-	-
27.3	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
	Particulars		
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

27.4	<b>Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges</b> Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:			
	<b>Name of the party</b>	<b>Relationship</b>	<b>Amount outstanding as at 31 March, 2013</b>	<b>Maximum balance outstanding during the year</b>
	Indus Finance corporation Ltd	Associates	215,194,114 (219,868,450)	220,268,450 (234,252,888)
Note: Figures in bracket relate to the previous year.				
	<b>Expenditure in foreign currency</b>		for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
27.5	Travelling Expenses		-	103,622
			for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
27.6	<b>Earnings in foreign exchange:</b>		<b>NIL</b>	<b>NIL</b>
27.7	<b>Employee benefit plans</b> <u>Defined contribution plans</u> The Company has provided for retirement benefits to the employees such as Gratuity, Provident Fund and ESI. The Company has formulated in consultation with the Life Insurance Corporation of India, for gratuity benefits, necessary benefit plans, the details of which are as follows :			
	Accrued Gratuity Liability** Actuarial Value of Accrued Gratuity Liability** Fund with Life Insurance Corporation of India** Net Liability			Rs. 1,913,464 1,701,648 1,701,648 -
	<b>Assumptions for Actuarial Valuation</b> Discounting Rate Salary Escalation Rate Method of Valuation **Details shown above are based on actuarial valuation report of LIC as on 01/08/2012. Revised liability will be available only by August 2013 and hence actuarial liability cannot be ascertained.			8.00% 7.00% Projected unit credit method
27.8	<b>Foreign Currency Convertible Bonds</b> The Company has raised funds of \$30 Million by way of issue of FCCB at an interest of 2.5% p.a. in December 2007 and restructured the same in June 2009. As per the restructured terms, the Bond carries Zero percent interest and to be redeemed in December 2012 by paying 50% in cash and balance by mandatory conversion into equity shares. During the year, the company has redeemed \$8.5 Million out of \$15 Million (i.e. 50% of FCCB) and balance yet to redeem and conversion is also not carried out. The trustee (Bank of New York Mellon) on the instruction of Bond Holders has filed a winding up petition against the company before the Hon'ble High Court of Madras alleging for default of redemption. The company is hoping for relief for 100% conversion or extension of redemption period of the bond. Hearing of argument on both sides are completed and judgement stands reserved.			





## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 29 Disclosures under Accounting Standards (contd.)

Note	Particulars				
29.1	<b>Related party transactions</b>				
29.1a	<b>Details of related parties:</b>				
	<b>Description of relationship</b>	<b>Names of related parties</b>			
	Subsidiary Associates and Companies where Key Management Personnel has a significant influence.)	Indowind Power Private Limited  Indus Finance Corporation Ltd., Ind Eco Ventures Limited IndoNet Global Limited Indus Nutri Foods P Ltd Loyal Credit & Investment Limited Indus Capital Limited Subuthi investments P Ltd., Bewind Power Pltd., Bekae properties P Ltd. Ravello Advertising P Ltd.,			
	Key Management Personnel (KMP)	Mr. Bala V Kutti, Chairman Mr. K.S. Ravindranath, Whole time Director Mr. T.S. Raghavan, Director Mr. Niranjani R Jagtap			
29.1 b	Note: Related parties have been identified by the Management.				
	<b>Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:</b>				
	<b>Nature of Transaction</b>	<b>Subsidiary</b>	<b>Associates</b>	<b>KMP</b>	<b>Total</b>
	Power Share Income				
	- Indowind Power Private Limited	99,910,769	-	-	99,910,769
	- Indus Finance Corporation Ltd.,	-	2,210,475	-	2,210,475
	- Ind Eco Ventures Limited	-	2,455,804	-	2,455,804
	- Ravello Advertising P Ltd.,	-	1,392,225	-	1,392,225
	- Bewind Power Pltd.,	-	1,560,629	-	1,560,629
	- Bekae properties P Ltd.	-	201,842	-	201,842
	Interest Income				
	- Indus Finance Corporation Ltd.,	-	16,499,130	-	16,499,130
	Travelling Expenses				
	- Mr. Bala V Kutti, Chairman	-	-	707,187	707,187
	Business Promotion				
	- Mr. Bala V Kutti, Chairman	-	-	485,807	485,807
	Staff Welfare				
	- Mr. Bala V Kutti, Chairman	-	-	56,384	56,384
	Conveyance				
	- Mr. Bala V Kutti, Chairman	-	-	94,000	94,000
	Salary				
	- Mr. K S Ravindranath, Whole time Director	-	-	1,455,768	1,455,768



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 29.1 b Details of related party transactions during the year (contd.)

		Subsidiary	Associates	KMP	Total
	Sitting Fees				
	- Mr. Bala V Kutti, Chairman	-	-	30,000	30,000
	- Mr. Niranjan R Jagtap	-	-	20,000	20,000
	- Mr. T S Raghavan, Director	-	-	40,000	40,000
	Investments				
	- Indowind Power Private Limited	500,000	-	-	500,000
	<b>Balances outstanding at the end of the year</b>				
	Capital advances / Guarantee Deposits - Secured				
	- Bewind Power Private Ltd	-	93,371,861	-	93,371,861
		-	(101,941,891)	-	(101,941,891)
	- Bekae Properties Pvt Ltd	-	109,733,031	-	109,733,031
		-	(22,076,536)	-	(22,076,536)
	- Loyal Credit and Investment Ltd	-	81,843,976	-	81,843,976
		-	(81,989,226)	-	(81,989,226)
	- Indus Finance corporation limited	-	215,194,114	-	215,194,114
		-	(219,868,450)	-	(219,868,450)
	Capital advances / Guarantee Deposits - Unsecured				
	- Indus Capital Private Limited	-	12,800,000	-	12,800,000
		-	-	-	-

Note: Figures in bracket relate to the previous year.

Ref. No.	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
29.2	<b>Earnings per share</b>		
	<b>Basic - Total &amp; Continuing operations</b>		
	Net profit / (loss) for the year from continuing operations	32,259,289	41,016,137
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	32,259,289	41,016,137
	Weighted average number of equity shares	89,741,486	89,741,486
	Par value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	0.36	0.46
	<b>Diluted - Total &amp; Continuing operations</b>		
	Net profit / (loss) for the year from continuing operations after adjusting for Interest Payment / Dividend relating to Potential Dilutive Equity Shares	32,259,289	41,016,137
	Net Profit / (loss) as computed by above attributable to the equity shareholders	32,259,289	41,016,137
	Weighted average number of equity shares after adding Potential Dilutive Equity Shares	89,741,486	89,741,486
	Par Value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	0.36	0.46



**INDOWIND ENERGY LIMITED**

Ref. No.	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
	<b>Deferred tax (liability) / asset</b>		
	<b>Opening Balance - Deferred Tax Liability</b>	61,742,147	66,015,325
	Total value of items constituting timing differences for Deferred Tax effect	-691,957	12,571,868
	Tax effect of items constituting deferred tax effect	-213,815	4,273,178
	MAT Credit availed for current year	-	-
	Net deferred tax - Asset	-213,815	4,273,178
	<b>Closing Balance - Deferred Tax Asset</b>	<b>61,955,962</b>	<b>61,742,147</b>
	The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Managements estimates of future profits considering the non-cancellable customer orders received by the Company.		
	<b>Note 30 Previous year's figures</b>		
30	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.		



## INDOWIND ENERGY LIMITED

### AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF INDOWIND ENERGY LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of  
Indowind Energy Limited.

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Indowind Energy Limited** ("the Company") and its subsidiary, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The financial statements of the subsidiary Company reflecting total assets of Rs. 116.67 Lakhs as at 31st March, 2013, total revenue of Rs.423.47 Lakhs for the year ended on that date have been audited by other auditor, whose report have been furnished to us. We have relied upon this report for the purpose of the amounts included in respect of the above company in the Consolidated Financial Statements.

We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard



## INDOWIND ENERGY LIMITED

1. AS 21 Consolidated Financial Statements-
2. AS 23 Accounting for Investments in Associates in Consolidated Financial Statements as prescribed in Section 211(3C) of the Companies Act, 1956 and on the basis of the separate audited financial statements of Indowind Energy Limited and its subsidiary included in the Consolidated Financial Statements.

### **Opinion**

Based on our audit and on consideration of report of other auditor on separate financial statement and on the other financial information of the component, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India ***subject to our opinion in the independent audit report of even date on stand alone financial statements of Parent Company***

- a) in the case of the Consolidated Balance Sheet, of the Consolidated state of affairs of the Company as at March 31, 2013;
- b) in the case of the Consolidated Profit and Loss Account, of the Consolidated profit for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the Consolidated cash flows for the year ended on that date.

**For V. Ramaratnam & Co**  
**Chartered Accountants**  
FRN: 002956S

Place: Chennai  
Date: 28-May-2013

**R. Sundar**  
**Partner**  
Membership No: 012339



## INDOWIND ENERGY LIMITED

### Consolidated Balance Sheet as at 31 March, 2013

Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	897,414,860	897,414,860
(b) Reserves and surplus	3	1,251,021,242	1,251,472,616
(c) Minority Interest		2,713,512	2,401,020
		<b>2,151,322,118</b>	<b>2,151,267,896</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	4	783,349,163	765,475,100
(b) Deferred tax liabilities (net)		61,955,962	61,742,147
(c) Other long-term liabilities	5	-	10,007,300
(d) Long-term provisions	6	-	-
		<b>845,305,125</b>	<b>837,224,547</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	7	41,731,061	37,412,020
(b) Trade payables	8	13,271,580	9,175,716
(c) Other current liabilities	9	896,570,486	1,249,208,513
(d) Short-term provisions		-	-
		<b>951,573,127</b>	<b>1,295,796,249</b>
<b>TOTAL</b>		<b>3,948,200,370</b>	<b>4,284,288,692</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	1,522,976,236	1,583,510,839
		<b>1,522,976,236</b>	<b>1,583,510,839</b>
(b) Non-current investments	11	37,190,891	37,190,891
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	12	2,079,093,394	2,439,273,155
(e) Other non-current assets	13	23,426,336	59,587,430
		<b>3,662,686,857</b>	<b>4,119,562,315</b>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	14	43,865,014	56,966,801
(c) Trade receivables	15	27,458,573	91,130,432
(d) Cash and cash equivalents	16	55,937,074	4,715,533
(e) Short-term loans and advances	17	57,903,065	4,631,125
(f) Other current assets	18	100,349,787	7,282,486
		<b>285,513,513</b>	<b>164,726,377</b>
<b>TOTAL</b>		<b>3,948,200,370</b>	<b>4,284,288,692</b>

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar**  
Partner

Place: Chennai - 600 034.

Date: 28, May 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**  
Chairman

**RAVINDRANATH K S**  
Director

**RAGHAVAN T S**  
Director

**NIRANJAN R JAGTAP**  
Director

**DIRAVIAM S**  
Company Secretary



## INDOWIND ENERGY LIMITED

### Statement of Profit and Loss for the year ended 31 March, 2013

Particulars	Note No.	For the year ended 31 March, 2013 Rs.	For the year ended 31 March, 2012 Rs.
<b>A CONTINUING OPERATIONS</b>			
1 Revenue from operations (gross)	19	233,762,142	295,224,395
Revenue from operations (net)		233,762,142	295,224,395
2 Other income	20	24,476,156	30,865,893
<b>3 Total revenue</b>		<b>258,238,298</b>	<b>326,090,288</b>
<b>4 Expenses</b>			
(a) Cost of Power Generation	21.a	52,722,386	37,556,073
(b) Project Expenses	21.b	887,487	80,932,750
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	-813,886	-1,356,335
(d) Employee benefits expenses	23	14,935,235	14,242,937
(e) Finance costs	24	39,172,964	49,282,213
(f) Depreciation and amortisation expense	10	80,639,894	81,775,215
(g) Other expenses	25	37,810,006	27,120,464
<b>Total expenses</b>		<b>225,354,086</b>	<b>289,553,317</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b>32,884,212</b>	<b>36,536,971</b>
6 Exceptional items	26.a	-	-251,443
<b>7 Profit / (Loss) before extraordinary items and tax</b>		<b>32,884,212</b>	<b>36,788,414</b>
8 Extraordinary items	27.b	-	-
<b>9 Profit / (Loss) before tax</b>		<b>32,884,212</b>	<b>36,788,414</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		1,41,466	-
(b) Deferred tax		213,815	-4,273,178
		<b>355,281</b>	<b>-4,273,178</b>
<b>11 Profit / (Loss) from continuing operations</b>		<b>32,528,931</b>	<b>41,061,592</b>
<b>C TOTAL OPERATIONS</b>			
<b>14 Profit / (Loss) for the year</b>		<b>32,528,931</b>	<b>41,061,592</b>
<b>15.i Earnings per share (of Rs.10/- each):</b>			
(a) Basic			
(i) Continuing operations		0.36	0.46
(ii) Total operations		0.36	0.46
(b) Diluted			
(i) Continuing operations		0.36	0.46
(ii) Total operations		0.36	0.46

**See accompanying notes forming part of the financial statements**

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar**

**Partner**

Place: Chennai - 600 034.

Date: 28th May, 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**

*Chairman*

**RAGHAVAN T S**

*Director*

**RAVINDRANATH K S**

*Director*

**NIRANJAN R JAGTAP**

*Director*

**DIRAVIAM S**

*Company Secretary*



## INDOWIND ENERGY LIMITED

### Cash Flow Statement for the year ended 31 March, 2013

Particulars	For the year ended 31 March, 2013		For the year ended 31 March, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		32,528,931		41,047,546
<i>Adjustments for:</i>				
Depreciation and amortisation	80,639,894		79,619,907	
Lease rental amortisation	720,000		-	
Finance costs	39,167,029		49,282,213	
Interest income	-16,499,130		-21,290,709	
Rental income from investment properties			-17,000	
Net unrealised exchange (gain) / loss	-	104,027,793	-	107,594,411
Operating profit / (loss) before working capital changes		<b>136,556,724</b>		<b>148,641,957</b>
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	13,101,787		33,820,727	
Trade receivables	53,265,029		165,834,868	
Short-term loans and advances	-53,271,940		-3,086,203	
Long-term loans and advances	399,848,883		-1,684,874,687	
Other current assets	-93,067,301		11,705,640	
Other non-current assets	-3,508,028		466,027,003	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	14,502,694		-20,101,116	
Other current liabilities	-352,652,073		1,243,265,012	
Short-term provisions				-
Long-term provisions		-21,780,949		212,591,244
Cash generated from operations		<b>114,775,775</b>		<b>361,233,201</b>
<b>Net cash flow from operating activities (A)</b>		<b>114,775,775</b>		<b>361,233,201</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-20,825,291		-307,910,050	
Proceeds from sale of fixed assets	-		106,960,449	
Purchase of long-term investments	-		-6,980,000	
Interest received - Associates	16,499,130		9,192,712	
Interest received - Others	-		12,097,997	
Rental income from investment properties	-		17,000	
		-4,326,161		-186,621,892
<b>Net cash flow from investing activities (B)</b>		<b>-4,326,161</b>		<b>-186,621,892</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	250,000		408,640,600	
Proceeds from issue of equity shares - Share Premium A/c	-		414,616,900	
Redemption / buy back of preference / equity shares	-		-40,000,000	
Transfer from Reserve.....	-		-27,142,527	
Share application money received / (refunded)	-		-19,090,000	
Increase / (Decrease) in long-term borrowings	17,874,063		-826,301,598	
Increase / (Decrease) in Deferred Tax Liability	213,815		-4,273,178	
Increase / (Decrease) in other long-term liabilities	-10,007,300		127,810	
Increase / (Decrease) in Reserves	-32,710,663		-34,910,000	
Net increase / (decrease) in working capital borrowings	-		-	
Increase / (Decrease) in short-term borrowings	4,319,041		4,161,465	
Misc Expenses	-		-	
Finance cost	-39,167,029		-49,282,213	
<b>Net cash flow from financing activities (C)</b>		<b>-59,228,073</b>		<b>-173,452,741</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>51,221,541</b>		<b>1,158,568</b>
Cash and cash equivalents at the beginning of the year		4,715,533		3,556,965
<b>Cash and cash equivalents at the end of the year</b>		<b>55,937,074</b>		<b>4,715,533</b>
<b>Cash and cash equivalents at the end of the year Comprising:</b>				
(a) Cash on hand		947,037		2,614
(b) Balances with banks		54,990,037		4,712,919
		<b>55,937,074</b>		<b>4,715,533</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For V. Ramaratnam & Co.**

Chartered Accountants

**R. Sundar**

Partner

Place: Chennai - 600 034.

Date: 28th May 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**

Chairman

**RAGHAVAN T S**

Director

**RAVINDRANATH K S**

Director

**NIRANJAN R JAGTAP**

Director

**DIRAVIAM S**  
Company Secretary



## Consolidated Notes forming part of the financial statements

Note	Particulars
<b>1.1</b>	<b>Corporate Information</b>
	<p>The Company was incorporated on 19th July 1995 and having its registered office at Kothari building, 4th Floor, No.114, Mahatama Gandhi Salai, Nungambakkam, Chennai - 600 034.</p> <p>The Company is engaged in the business of Generation &amp; Distribution of Power through Windmill owned and also operates the Windmill owned by its Associate " Indus Finance Corporation Limited" on its behalf. The company engage itself in construction /assembling of Windmill on a turnkey project basis.</p>
<b>1.2</b>	<b>Significant accounting policies</b>
<b>1.2.1</b>	<b>Basis of accounting and preparation of financial statements</b>
	<p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>1.2.2</b>	<b>Use of estimates</b>
	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>1.2.3</b>	<b>Inventories</b>
	<p>Inventories are valued at the cost. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. In the case of unsold power, it is valued at net realisable cost.</p>
<b>1.2.4</b>	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b>
	<p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p>
<b>1.2.5</b>	<b>Cash flow statement</b>
	<p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>



## Consolidated Notes forming part of the financial statements

Note	Particulars
1.2.6	<b>Depreciation and amortisation</b> Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956, including on revaluation cost and the capitalisation of capital expenditure.
1.2.7	<b>Revenue recognition</b> <b><u>Sale of goods</u></b> Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. <b><u>Sale of power</u></b> Sale of power is recognised at the point generation of the power from the plant and stock points. <b><u>Income from services</u></b> Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion.
1.2.8	<b>Other income</b> Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established. Income from sale of CER (Carbon Credits) is accounted for based on eligibility criteria.
1.2.9	<b>Tangible fixed assets</b> Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. <b><u>Capital work-in-progress:</u></b> Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
1.2.10	<b>Foreign currency transactions and translations</b> <b><u>Initial recognition</u></b> Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.





## Consolidated Notes forming part of the financial statements

Note	Particulars
	<p data-bbox="228 312 1072 339"><b><u>Measurement of foreign currency monetary items at the Balance Sheet date</u></b></p> <p data-bbox="228 347 1152 549">Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.</p> <p data-bbox="228 557 621 584"><b><u>Treatment of exchange differences</u></b></p> <p data-bbox="228 592 1152 922">Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.</p> <p data-bbox="107 930 173 954"><b>1.2.11</b></p> <p data-bbox="228 930 370 954"><b>Investments</b></p> <p data-bbox="228 962 1152 1066">Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p data-bbox="107 1074 173 1098"><b>1.2.12</b></p> <p data-bbox="228 1074 442 1098"><b>Employee benefits</b></p> <p data-bbox="228 1106 1152 1155">Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p data-bbox="228 1163 530 1187"><b><u>Defined contribution plans</u></b></p> <p data-bbox="228 1195 1152 1268">The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p data-bbox="228 1276 467 1300"><b><u>Defined benefit plans</u></b></p> <p data-bbox="228 1308 1152 1382">Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur, as per the Life Insurance Corporation of India, with whom the Company has taken necessary policy under group Gratuity Scheme.</p> <p data-bbox="107 1390 173 1414"><b>1.2.13</b></p> <p data-bbox="228 1390 417 1414"><b>Borrowing costs</b></p> <p data-bbox="228 1422 1152 1471">Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as</p>



## Consolidated Notes forming part of the financial statements

Note	Particulars
1.2.14	<p>an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.</p> <p><b>Segment reporting</b></p> <p>The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.</p>
1.2.15	<p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p>
1.2.16	<p><b>Taxes on income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied</p>



## Consolidated Notes forming part of the financial statements

Note	Particulars
	by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.
<b>1.2.17</b>	<b>Impairment of assets</b> The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.
<b>1.2.18</b>	<b>Provisions and contingencies</b> A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.
<b>1.2.19</b>	<b>Share issues expenses</b> Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.
<b>1.2.20</b>	<b>Insurance claims</b> Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.
<b>1.2.21</b>	<b>Service tax input credit</b> Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is certainty in availing / utilising the credits.
<b>1.2.22</b>	<b>Creation of Debenture Redemption Reserve</b> The Companies Act, 1956 under section 117C requires every company to create a Debenture Redemption Reserve (DRR) to which 'adequate amounts' shall be credited out of its 'profits' every year until such debentures / bonds are redeemed, and shall utilize the same exclusively for such redemption. The Section requires that the amount to be credited as DRR has to be carved out of profits. There is no enough profits during the year for creation of DRR and it has been decided to meet the redemption liability when it become due.



## INDOWIND ENERGY LIMITED

### Note 2 Share capital

### Consolidated Notes forming part of the financial statements

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	100,000,000	1,000,000,000	100,000,000	1,000,000,000
Redeemable preference shares of Rs.10,000,000/- each	7	70,000,000	7	70,000,000
		<b>1,070,000,000</b>		<b>1,070,000,000</b>
(b) Issued				
Equity shares of Rs.10/- each with voting right	89,741,486	897,414,860	89,741,486	897,414,860
Redeemable preference shares of Rs.10,000,000/- each	-	-	-	-
		<b>897,414,860</b>		<b>897,414,860</b>
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	89,741,486	897,414,860	89,741,486	897,414,860
Redeemable preference shares of Rs.10,000,000/- each	-	-	-	-
		<b>897,414,860</b>		<b>897,414,860</b>
<b>Total</b>		<b>897,414,860</b>		<b>897,414,860</b>

**Notes: (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2013				
- Number of shares	89,741,486	-	-	89,741,486
- Amount ('Rs.10/-each)	897,414,860	-	-	897,414,860
Year ended 31 March, 2012				
- Number of shares	89,741,486	-	-	89,741,486
- Amount ('Rs.10/- each)	897,414,860	-	-	897,414,860

Particulars	Opening Balance	Fresh issue	Redemption	Closing Balance
Redeemable preference shares				
Year ended 31 March, 2013				
- Number of shares				
- Amount ('Rs.10000000/-each)				
Year ended 31 March, 2012				
- Number of shares				
- Amount ('Rs.10000000/-each)				

**(ii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
The Bank of Newyork Mellon	-	-	17,500,000	19.50
Bala KV	5,437,495	6.06	-	-
Loyal Credit and Investments Ltd	8,049,571	8.97	7,887,071	8.79
Indus Finance Corporation Ltd	6,421,765	7.16	6,494,265	7.24
Subuthi Investments Private Limited	6,988,334	7.79	6,988,334	7.79



## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

<b>Note 3 Reserves and surplus</b>		
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<b>(a) Capital reserve</b>		
Opening balance	-	-
Add: Additions during the year - Transfer from Forfeited Share Warrants Reserve	19,090,000	-
Less: Utilised / transferred during the year (give details)	-	19,090,000
Closing balance	<b>19,090,000</b>	<b>19,090,000</b>
<b>(b) Capital redemption reserve</b>		
Opening balance	-	25,000,000
Add : Transfer during the Year	-	-
Less : Transferred to General Reserve	-	25,000,000
Closing balance	-	-
<b>(c) Securities premium account</b>		
Opening balance	1,148,677,973	761,793,000
Add : Premium on shares issued during the year	-	414,027,500
Less : Utilised during the year for:		
Others - Issue Expenses set off	-	27,142,527
Closing balance	<b>1,148,677,973</b>	<b>1,148,677,973</b>
<b>(d) Revaluation reserve</b>		
Closing balance	<b>6,000,000</b>	<b>6,000,000</b>
<b>(e) General reserve</b>		
Opening balance	77,684,063	65,622,471
Add: Transferred from surplus in Statement of Profit and Loss	32,528,931	41,061,592
Transferred from Capital Redemption Reserve	-	25,000,000
Less: Others (Adjusted against Prior Period Items)	32,710,663	54,000,000
Other (Previous year adjustment)	14,046	-
Other (Minority Share)	62,512	-
Closing balance	<b>77,425,773</b>	<b>77,684,063</b>
<b>(f) Forfeited Share Warrants Reserve</b>		
Opening balance	-	-
Add: Transferred from Share Application Money Pending Allotment	-	19,090,000
Less: Transferred to Capital Reserve	-	19,090,000
Closing balance	-	-
<b>Total</b>	<b>1,251,193,746</b>	<b>1,251,452,036</b>
<b>Note 4 Long-term borrowings</b>		
Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<b>(a) Term loans (Refer Note (i) below)</b>		
From banks		
Secured	529,636,714	443,215,650
	<b>529,636,714</b>	<b>443,215,650</b>
From other parties		
Secured	253,712,449	322,259,450
	<b>253,712,449</b>	<b>322,259,450</b>
<b>Total</b>	<b>783,349,163</b>	<b>765,475,100</b>



## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

**Notes:**

**(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:**

Particulars	Terms of repayment and security*	As at 31 March, 2013		As at 31 March, 2012	
		Secured Rs.	Unsecured Rs.	Secured Rs.	Unsecured Rs.
Term loans from banks: EXIM Bank	Secured against the project's WIP assets funded by the bank & further secured by way of pari passu charge on entire movable & immovable assets of the company excluding assets exclusively charges to other banks and also on the 40 lakhs equity shares held by Loyal Credit and Investments Ltd in Indowind Energy Ltd.  Only 50% of loan has been sanctioned and balance is yet to be released and Repayment starts only after the release of balance amount.	529,548,037	-	440,000,000	-
Axix Bank-Vehicle Loan	Secured against the motor vehicles.	88,677	-	1,886,362	-
Kokak Bank-Vehicle Loan	Secured against the motor vehicles.	-	-	1,329,288	-
<b>Total</b>		<b>529,636,714</b>	-	<b>443,215,650</b>	-
<b>Term loans from other parties:</b>					
Indian Renewable Energy Development Agency Limited	Secured against 6 WEGs of 1.5Mw each situated in the state of Karnataka	240,951,199	-	309,498,200	-
LIC Of India	Secured against the Key Man Policy and repayable on Maturity/surrender of policy.\	12,761,250	-	12,761,250	-
<b>Total</b>		<b>253,712,449</b>	-	<b>322,259,450</b>	-

**(ii) Details of long-term borrowings guaranteed by some of the directors or others:**

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Bonds / debentures	NIL	NIL
Term loans from banks	NIL	NIL
Term loans from other parties	NIL	NIL

**(iii) The Company has defaulted in repayment of loans and interest in respect of the following:**

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Period of default	Rs.	Period of default	Rs.
Bonds / debentures				
Principal	-	NIL	-	NIL
Interest				
Term loans from banks				
Principal	-	NIL	-	NIL
Interest				
Term loans from other parties				
Principal	-	NIL	-	NIL
Interest				



## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

#### Note 5 Other long-term liabilities

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Payables on purchase of fixed assets	-	10,007,300
<b>Total</b>	<b>-</b>	<b>10,007,300</b>

#### Note 6 Long-term provisions

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Provision for employee benefits:	-	-
(b) Provision - others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### Note 7 Short-term borrowings

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Loans repayable on demand		
From banks		
Secured	41,731,061	37,412,020
<b>Total</b>	<b>41,731,061</b>	<b>37,412,020</b>

**Notes:** (i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Loans repayable on demand from banks:			
Bank of India	Secured against fixed deposit	2,499,965	37,412,020
Axis Bank	Secured against vehicles	982,452	
Kotak Mahindra Bank	Secured against vehicles	248,644	
Indian Renewable Energy Development Agency Limited	Secured against 6 WEGs of 1.5Mw each situated in the state of Karnataka	38,000,000	
		<b>41,731,061</b>	<b>37,412,020</b>

#### Note 8 Trade payables

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Trade payables:	13,271,580	9,175,716
<b>Total</b>	<b>13,271,580</b>	<b>9,175,716</b>

#### Note 9 Other current liabilities

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(i) Current maturities of long-term debt (Refer Note (i) below)	889,128,958	1,243,180,130
(ii) Statutory remittances	5,477,385	
(iii) Expenses Payable	1,964,143	6,028,383
<b>Total</b>	<b>896,570,486</b>	<b>1,249,208,513</b>



## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

Note (i): Current maturities of long-term debt:

Particulars	Terms of Issue	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Foreign Currency Convertible Bonds (Refer note (ii) below & note 27.8)	Out of 30 Mn USD Bonds, 8.5 Mn redeemed out of 50% and balance of 50% is to be converted into equity, as per restructured terms.	889,128,958	1,243,180,130
<b>Total</b>		<b>889,128,958</b>	<b>1,243,180,130</b>

Note (ii) : The company has raised funds through "Foreign Currency Convertible Bond" which has an option of 50% conversion to equity shares and it was due for redemption / conversion in December 2012. Since there is a suit pending against the company filed by its bond holders, the same has not yet redeemed or converted.

The Debenture Redemption Reserve is required to be created only on the redemption value. The Bond holders has filed a winding-up petition and the company is seeking for 100% conversion to equity shares, it has been decided by the management to create reserve only upon the outcome of suit pending.





## INDOWIND ENERGY LIMITED

### Note 10 FIXED ASSETS

A. Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2012	Additions	Disposals	Balance as at 31 Mar, 2013	Balance as at 1 April, 2012	Depreciation/ amortisation for the year	Eliminated on disposal of assets	Balance as at 31 Mar, 2013	Balance as at 31 Mar, 2012	Balance as at 31 Mar, 2013
	Rs	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Land										
Freehold	38,432,154	-	-	38,432,154	-	-	-	-	38,432,154	38,432,154
Leasehold *	18,720,000	-	720,000	18,000,000	-	-	-	-	18,720,000	18,000,000
(b) Buildings										
Own use	7,916,453	543,847	-	8,460,300	2,046,757	382,504	-	2,429,261	5,869,696	6,031,039
(c) Plant and Equipment										
Owned	1,823,883,523	19,639,550	-	1,843,523,073	320,193,771	77,315,013	-	397,508,784	1,503,689,752	1,446,014,289
(d) Furniture and Fixtures										
Owned	-	-	-	-	-	-	-	-	-	-
(e) Vehicles										
Owned	16,645,928	163,789	-	16,809,717	10,367,295	2,039,794	-	12,407,089	6,278,633	4,402,628
(f) Office equipment										
Owned	19,325,053	478,105	-	19,803,158	8,804,449	902,563	-	9,707,032	10,520,604	10,096,126
<b>Total</b>	<b>1,924,923,111</b>	<b>20,825,291</b>	<b>720,000</b>	<b>1,945,028,402</b>	<b>341,412,272</b>	<b>80,639,894</b>	<b>-</b>	<b>422,052,166</b>	<b>1,583,510,839</b>	<b>1,522,976,236</b>

\* Represents amount paid to Forest department of Karnataka towards lease rentals for the Chitradurga site.

### Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
	Rs.	Rs.
Depreciation and amortisation for the year on tangible assets	80,639,894.00	81,775,215.00
Depreciation and amortisation relating to continuing operations	<b>80,639,894.00</b>	<b>81,775,215.00</b>



## INDOWIND ENERGY LIMITED

### Note 11 Non-current investments

Particulars	No. of Shares	As at 31st March, 2013			As at 31st March, 2012		
		Quoted Rs.	Unquoted Rs.	Total Rs.	Quoted Rs.	Unquoted Rs.	Total Rs.
Investments (At Cost)							
(a) Investment in equity instruments of other entities							
(i) The Jain Sahakari Bank Limited	4,247	-	124,500	124,500		124,500	124,500
India wind Power Limited	1,000,000	-	10,000,000	10,000,000		10,000,000	10,000,000
(c) Other non-current investments (Key Man Insurance Policy)		-	27,066,391	27,066,391		27,066,391	27,066,391
Total Investments		-	<b>37,190,891</b>	<b>37,190,891</b>	-	<b>37,190,891</b>	<b>37,190,891</b>
Less: Provision for diminution in value of investments		-	-	-	-	-	-
<b>Total</b>		-	<b>37,190,891</b>	<b>37,190,891</b>	-	<b>37,190,891</b>	<b>37,190,891</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note 12 Long-term loans and advances

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<i>(a) Capital advances / Guarantee Deposits</i>		
Secured, considered good - Others	508,401,055	380,154,889
Secured, considered good - Related Parties	500,142,982	425,876,103
Unsecured, considered good - Others	1,031,831,127	1,345,078,174
Unsecured, considered good - Related Parties	12,800,000	246,495,719
<i>(b) Security deposits</i>		
Unsecured, considered good	2,858,430	2,858,430
<i>(c) Loans and advances to related parties</i>		
Unsecured, considered good	-	18,000,000
<i>(d) Balances with government authorities</i>		
(i) Income Tax / TDS Certificates	15,711,246	15,711,238
(iii) Service Tax credit receivable	3,435,408	2,581,005
<i>(e) Other loans and advances (specify nature)</i>		
Unsecured, considered bad / non recoverable	3,913,146	2,517,597
<b>Total</b>	<b>2,079,093,394</b>	<b>2,439,273,155</b>

Note: Long Term Loans & Advances includes amount due from companies in which Director of the Company is also a Director:

<b>Capital advances / Guarantee Deposits</b>		
<b>Secured, considered good</b>		
Bewind Power Private Ltd	93,371,861	101,941,891
Bekae Properties Pvt Ltd	109,733,031	22,076,536
Loyal Credit and Investment Ltd	81,843,976	81,989,226
Indus Finance corporation limited	215,194,114	219,868,450
<b>Unsecured, considered good</b>		
Bekae Properties Pvt Ltd	-	50,000,000
Indowind International - Dubai	-	196,460,527
Ravello Advertising Pvt Ltd	-	35,192
Indus Capital Private Limited	12,800,000	-

#### Note 13 Other non-current assets

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<i>(a) Long-term trade advances</i>		
Unsecured, considered good		
- Others	19,974,860	19,918,308
- Related Parties	3,451,476	39,669,122
<b>Total</b>	<b>23,426,336</b>	<b>59,587,430</b>

#### Note 14 Inventories

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
<i>(a) Work-in-progress @ (Refer Note below)</i>	38,108,592	47,302,006
	<b>38,108,592</b>	<b>47,302,006</b>
<i>(b) Stock-in-trade - Energy Stock</i>	5,756,422	9,664,795
	<b>5,756,422</b>	<b>9,664,795</b>
<b>Total</b>	<b>43,865,014</b>	<b>56,966,801</b>

Note: Details of inventory of work-in-progress

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Closing Stock	33,602,085	42,795,499
Work in Progress - Agri Division	4,506,507	4,506,507
	<b>38,108,592</b>	<b>47,302,006</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note 15 Trade receivables

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment #		
Unsecured, considered good	13,880,270	70,288,510
Other Trade receivables		
Unsecured, considered good	13,578,303	20,841,922
<b>Total</b>	<b>27,458,573</b>	<b>91,130,432 a</b>

#### Note 16 Cash and cash equivalents

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Cash on hand	947,037	457,344
(b) Balances with banks		
(i) In current accounts	16,490,037	4,258,189
(ii) In deposit accounts	3,000,000	-
- Other earmarked accounts (Refer Note (i) below)		
(c) Others (specify nature)	35,500,000	-
<b>Total</b>	<b>55,937,074</b>	<b>4,715,533</b>

Note (i) : Earmarked Deposit Account represents Fixed Deposits on which lien has been marked for the facility availed in EXIM Bank - Rs.330 lakhs & for FD Loan of Rs.25 lakhs.

#### Note 17 Short-term loans and advances

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
a) Loans and advances to employees		
Unsecured, considered good	1,930,995	637,476
(b) Loans and advances - Related Parties		
Unsecured, considered good	1,000,000	-
(c) Prepaid expenses - Unsecured, considered good	4,972,070	3,988,649
(d) Others - Secured, Considered good	50,000,000	5,000
<b>Total</b>	<b>57,903,065</b>	<b>4,631,125</b>

Note: Short Term Loans & Advances includes amount due from M/s. Bekae Properties Private Limited, amounting to Rs.10,00,000/- which is a company in which Director of the Company is interested.

#### Note 18 Other current assets

Particulars	As at 31 March, 2013 Rs.	As at 31 March, 2012 Rs.
(a) Unamortised expenses		
(i) Share issue expenses	5,539,245	7,282,486
(ii) Others (Refer Note (i) below)	94,810,542	-
<b>Total</b>	<b>100,349,787</b>	<b>7,282,486,</b>

Note (i) :

1. "Others" include Rs.2,36,75,000/- representing Loss on account of Partial Redemption of Foreign Currency Convertible Bonds. Pending redemption of balance bonds the same is not written off. The Balance of Rs.7,11,35,542/- represents unamortised advances.



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note 19 Revenue from operations

Particulars		for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Sale of products @ (Refer Note (i) below)		233,762,142	205,224,395
(b) Sale of Projects @ (Refer Note (ii) below)		-	90,000,000
<b>Total</b>		<b>233,762,142</b>	<b>295,224,395</b>
Note	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i)	Sale of products - Power	233,762,142	205,224,395
	<b>Total - Sale of products</b>	<b>233,762,142</b>	<b>205,224,395</b>
(ii)	Sale of Projects	-	90,000,000
	<b>Total - Sale of Projects</b>	<b>-</b>	<b>90,000,000</b>

#### Note 20 Other income

Particulars		for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Interest income (Refer Note (i) below)		16,508,397	21,290,709
(b) Other non-operating income (refer (ii) below)		7,967,759	9,575,184
<b>Total</b>		<b>24,476,156</b>	<b>30,865,893</b>
Note	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i)	Interest income comprises:		
	Interest from banks on: deposits	9,267	12,097,997
	Interest income from current investments associates	16,499,130	9,192,712
	<b>Total - Interest income</b>	<b>16508,397</b>	<b>21,290,709</b>
(ii)	Other non-operating income comprises:		
	Rental income from investment properties	-	17,000
	Dividend Income	12,491	-
	CER Income	-	3,442,704
	Sale of Service Connection	-	468,000
	Others	7,955,268	5,647,480
	<b>Total - Other non-operating income</b>	<b>7,967,759</b>	<b>9,575,184</b>

#### Note 21 . a Cost of Generation of Power

Particulars		for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i) Direct Cost incurred at Power Generation Site		52,722,386	37,556,073
<b>Note 21 . b Project Expenses</b>		<b>52,722,386</b>	<b>37,556,073</b>

Particulars		for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i) Purchases		813,886	80,841,476
(ii) Project Expenses		73,601	91,274
<b>Total Project Expenses</b>		<b>887,487</b>	<b>80,932,750</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

#### Note 22 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
Inventories at the end of the year:		
Work-in-progress	33,602,085	42,795,499
Transfers from Project	10,007,300	37,898,077
	<b>43,609,385</b>	<b>80,693,576</b>
Inventories at the beginning of the year:		
Work-in-progress	42,795,499	79,337,241
<b>Net (increase) / decrease</b>	<b>-813,886</b>	<b>-1,356,335</b>

#### Note 23 Employee benefits expenses

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
Salaries and wages	13,317,798	12,671,349
Contributions to provident and other funds	648,972	559,506
Staff welfare expenses	968,465	1,012,082
<b>Total</b>	<b>14,935,235</b>	<b>14,242,937</b>

#### Note 24 Finance costs

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(a) Interest expense on:		
(i) Borrowings	39,171,730	49,053,004
(ii) Others - Processing Charges	1,234	229,209
(b) Applicable net gain/loss on foreign currency transactions and translation	-	-
<b>Total</b>	<b>39,172,964</b>	<b>49,282,213</b>

#### Note 25 Other expenses

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
Power and fuel	529,938	295,730
Selling Expenses	13,595,714	4,354,485
Rent including lease rentals	35,000	177,000
Repairs and maintenance - Buildings	1,727,225	1,757,440
Repairs and maintenance - Machinery	-	193,484
Repairs and maintenance - Vehicles	769,078	858,321
Insurance	436,961	690,558
Rates and taxes	1,658,664	2,564,776
Communication	535,788	720,687
Travelling and conveyance	4,604,896	4,467,365
Printing and stationery	481,804	438,190
Business promotion	2,679,507	2,164,426
AGM / EGM Expenses	1,138,889	1,649,576
Legal and professional	4,969,176	6,216,216
Security Charges	11,000	8,500
Bank Charges	45,988	68,925
Books & Periodicals	48,465	36,441
Payments to auditors (Refer Note (i) below)	409,000	186,240
Miscellaneous expenses	4,132,913	272,104
<b>Total</b>	<b>37,810,006</b>	<b>27,120,464</b>



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

**Notes:**

Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
(i) Payments to the auditors comprises		
As auditors - statutory audit	300,000	115,000
For taxation matters	100,000	40,000
For Certification matters	9,000	31,240
<b>Total</b>	<b>409,000</b>	<b>186,240</b>

**Note 26. Exceptional items**

Ref. No.	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
	Miscellaneous Expenses Written Off	1,743,241	1,743,241
	Public Issue Expenses Written Off	-	12,020,163
	Prior Period Items Written Off*	30,967,422	39,985,153
	Less:	-	
	Transfer from Reserves	32,710,663	54,000,000
	<b>Total</b>	<b>-</b>	<b>-251,443</b>

\*\*CER income recognised in earlier years has been written off as the amount billed has become irrecoverable. The same has been treated as Prior Period Item and an amount equivalent to such write off is transferred from Reserves.

**Note 27 Additional information to the financial statements**

Note	Particulars	As at 31 March, 2013 Rs. in Lacs	As at 31 March, 2012 Rs. in Lacs
27.1	<b>Contingent liabilities and commitments (to the extent not provided for)</b> Income Tax: A Ys 1998-99, 2004-05, 2006-07 and 2007-08 Service Tax Asset : F Y 2007 -08 VAT : F Ys 2007 -08 and 2008 - 09	19,742,946 21,483,296 7,609,024	19,742,946 21,546,270 7,609,024
	The Company has contracts entered in various currencies for supply of projects, sale of Carbon Credits, capital and fund raising activities which carry foreign currency risk apart from penalties for not providing LC facilities for taking delivery, getting statutory approvals, release of funds in time, repayments etc. The company also has raised / certain rights to raise claims on counter parties, there may arise certain claims on the company and company has also raised / shall raise certain demands on the counter parties. The Company has not provided for such contingencies as of date. The Company may have to provide for such contingencies to the tune of Rs.20 to Rs.30 crores in future from the share premium account or provide as expenditure to be written off over a period of time as they are not arising out of regular operations of the company and are extraordinary in nature.		



## INDOWIND ENERGY LIMITED

### Notes forming part of the Consolidated Financial Statements

27.2	<b>Details of unutilised amounts out of issue of securities made for specific purpose</b> During the year, the Company has closed the account kept in abroad and transferred the balance of USD 2,344 (Rs.1,19,544) on 27th February 2013 to its Bank in India.		
	<b>Particulars</b>	<b>USD</b>	<b>Rs.</b>
	Balance carried forward	2,344	119,544
	Less:		
	Funds transferred on closure of account maintained in abroad	2,344	119,544
	Balance to be utilised	-	-
27.3	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
	<b>Particulars</b>	<b>As at 31 March, 2013 Rs.</b>	<b>As at 31 March, 2012 Rs.</b>
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
27.4	<b>Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges</b> Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:		
	<b>Name of the party</b>	<b>Relationship</b>	<b>Amount outstanding as at 31 March, 2013</b>
	<b>Maximum balance outstanding during the year</b>		
	Indus Finance corporation Ltd	Associates	215,194,114 (219,868,450)
			220,268,450 (234,252,888)
	Note: Figures in bracket relate to the previous year.		
27.5	<b>Expenditure in foreign currency</b> Travelling Expenses		for the Year ended 31 March, 2013 Rs.
			for the Year ended 31 March, 2012 Rs.
			-
			103,622
27.6	<b>Earnings in foreign exchange:</b>		for the Year ended 31 March, 2013 Rs.
			for the Year ended 31 March, 2012 Rs.
			NIL
			NIL





## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

27.7	<p><b>Employee benefit plans</b>  <b>Defined contribution plans</b>            The Company has provided for retirement benefits to the employees such as Gratuity, Provident Fund and ESI. The Company has formulated in consultation with the Life Insurance Corporation of India, for gratuity benefits, necessary benefit plans, the details of which are as follows :</p>	
		Rs.
	Accrued Gratuity Liability**	1,913,464
	Actuarial Value of Accrued Gratuity Liability**	1,701,648
	Fund with Life Insurance Corporation of India**	1,701,648
	Net Liability	-
	<b>Assumptions for Actuarial Valuation</b>	
	Discounting Rate	8.00%
	Salary Escalation Rate	7.00%
	Method of Valuation	Projected unit credit method
	** Details shown above are based on Actuarial Valuation Report of LIC as on 01/08/2012. Revised Liability will be available only by August 2013 and hence actuarial liability cannot be ascertained.	
27.8	<p><b>Foreign Currency Convertible Bonds</b>            The Company has raised funds of \$30 Million by way of issue of FCCB at an interest of 2.5% p.a. in December 2007 and restructured the same in June 2009. As per the restructured terms, the Bond carries Zero percent interest and to be redeemed in December 2012 by paying 50% in cash and balance by mandatory conversion into equity shares.            During the year, the company has redeemed \$8.5 Million out of \$15 Million (i.e. 50% of FCCB) and balance yet to redeem and conversion is also not carried out.            The trustee (Bank of New York Mellon) on the instruction of Bond Holders has filed a winding up petition against the company before the Hon'ble High Court of Madras alleging for default of redemption. The company is hoping for relief for 100% conversion or extension of redemption period of the bond. Hearing of argument on both sides are completed and judgement stands reserved.</p>	



**INDOWIND ENERGY LIMITED**

**Consolidated Notes forming part of the financial statements**

**Note 28 Disclosures under Accounting Standards (contd.)**

Note	Particulars	For the year ended 31 March, 2013					Total Rs.
		Business segments				Eliminations Rs.	
		Power Rs.	Project Rs.	Others Rs.	Total Rs.		
28.1	<p><b>Segment information</b>                      The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Power Generation, Project Sale and Others which include Finance. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.</p>						
	Particulars						
	Revenue	219,415,489	-	24,476,156	-	-	243,891,645
	Expenses	(200,306,605)	(90,000,000)	(30,865,893)	-	-	(321,172,498)
	Segment result	180,161,027	73,601	1,428,785	-	-	181,663,413
	Unallocable expenses (net)	(177,369,373)	(79,576,415)	(2,039,298)	-	-	(258,985,086)
	Operating income	39,254,462	73,601	23,047,371	-	-	62,228,232
	Profit before taxes	(22,937,232)	(10,423,565)	(28,826,595)	-	-	(62,187,412)
	Tax expense						(25,695,896)
	Net profit for the year						32,491,757
	(Figures in bracket represents previous year)						(36,491,516)
							29,736,475
							(36,491,516)
							232,468
							(4,273,178)
							32,259,289
							(40,764,694)

Particulars	For the year ended 31 March, 2013			Total Rs.
	Business segments			
	Power Rs.	Project Rs.	Others Rs.	
Segment assets	1,692,827,886	2,040,375,164	211,235,597	3,944,438,647
Total assets	(2,513,642,606)	(1,627,449,430)	(140,687,472)	(4,281,779,508)
Segment liabilities	1,726,889,126	-	69,113,419	1,796,002,545
Total liabilities	(1,449,559,820)	-	(683,332,212)	(2,132,892,032)

Note : Figures in brackets relates to the previous year.



## INDOWIND ENERGY LIMITED

### Consolidated Notes forming part of the financial statements

#### Note 29 Disclosures under Accounting Standards (contd.)

Note	Particulars			
29.1	<b>Related party transactions</b>			
29.1a	<b>Details of related parties:</b>			
	<b>Description of relationship</b>	<b>Names of related parties</b>		
	Associates and Companies where Key Management Personnel has a significant influence.)	Indus Finance Corporation Ltd., Ind Eco Ventures Limited IndoNet Global Limited Indus Nutri Foods P Ltd Loyal Credit & Investmenst Limited Indus Capital Limited Subuthi investments P Ltd., Bewind Power Pltd., Bekae propertise P Ltd. Ravello Advertising P Ltd.,		
	Key Management Personnel (KMP)	Mr. Bala V Kutti, Chairman Mr. K.S. Ravindranath, Whole time Director Mr. T S. Raghavan, Director Mr. Niranjana R Jagtap		
29.1 b	Note: Related parties have been identified by the Management.			
	<b>Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:</b>			
		<b>Associates</b>	<b>KMP</b>	<b>Total</b>
	Power Share Income			
	- Indus Finance Corporation Ltd.,	2,210,475	-	2,210,475
	- Ind Eco Ventures Limited	2,455,804	-	2,455,804
	- Ravello Advertising P Ltd.,	1,392,225	-	1,392,225
	- Bewind Power Pltd.,	1,560,629	-	1,560,629
	- Bekae properties P Ltd.	201,842	-	201,842
	Interest Income			
	- Indus Finance Corporation Ltd.,	16,499,130	-	16,499,130
	Travelling Expenses			
	- Mr. Bala V Kutti, Chairman	-	707,187	707,187
	Business Promotion			
	- Mr. Bala V Kutti, Chairman	-	485,807	485,807
	Staff Welfare			
	- Mr. Bala V Kutti, Chairman	-	56,384	56,384
	Conveyance			
	- Mr. Bala V Kutti, Chairman	-	94,000	94,000
	Salary			
	- Mr. K S Ravindranath, Whole time Director	-	1,455,768	1,455,768



## INDOWIND ENERGY LIMITED

### Notes forming part of the financial statements

#### Note 29.1 b Details of related party transactions during the year (contd.)

		Associates	KMP	Total
	Sitting Fees			
	- Mr. Bala V Kutti, Chairman	-	30,000	30,000
	- Mr. Niranjana R Jagtap	-	20,000	20,000
	- Mr. T S Raghavan, Director	-	40,000	40,000
	<b>Balances outstanding at the end of the year</b>			
	Capital advances / Guarantee Deposits - Secured			
	- Bewind Power Private Ltd	93,371,861 (101,941,891)	-	93,371,861 (101,941,891)
	- Bekae Properties Pvt Ltd	109,733,031 (22,076,536)	-	109,733,031 (22,076,536)
	- Loyal Credit and Investment Ltd	81,843,976 (81,989,226)	-	81,843,976 (81,989,226)
	- Indus Finance corporation limited	215,194,114 (219,868,450)	-	215,194,114 (219,868,450)
	Capital advances / Guarantee Deposits - Unsecured			
	- Indus Capital Private Limited	12,800,000	-	12,800,000
	Short Term Loans and Advances			
	- Bekae Properties Pvt Ltd	1,00,000	-	1,00,000
		-	-	-

Note: Figures in bracket relate to the previous year.

Ref. No.	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
29.2	<b>Earnings per share</b>		
	<b><u>Basic - Total &amp; Continuing operations</u></b>		
	Net profit / (loss) for the year from continuing operations	32,528,931	41,016,137
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	32,528,931	41,016,137
	Weighted average number of equity shares	89,741,486	89,741,486
	Par value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	0.36	0.46
	<b><u>Diluted - Total &amp; Continuing operations</u></b>		
	Net profit / (loss) for the year from continuing operations after adjusting for Interest Payment / Dividend relating to Potential Dilutive Equity Shares	32,528,931	41,016,137
	Net Profit / (loss) as computed by above attributable to the equity shareholders	32,528,931	41,016,137
	Weighted average number of equity shares after adding Potential Dilutive Equity Shares	89,741,486	89,741,486
	Par Value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	0.36	0.46

**INDOWIND ENERGY LIMITED**

Ref. No.	Particulars	for the Year ended 31 March, 2013 Rs.	for the Year ended 31 March, 2012 Rs.
	<b>Deferred tax (liability) / asset</b>		
	<b>Opening Balance - Deferred Tax Liability</b>	61,742,147	66,015,325
	Total value of items constituting timing differences for Deferred Tax effect	-691,957	12,571,868
	Tax effect of items constituting deferred tax effect	-213,815	4,273,178
	MAT Credit availed for current year	-	-
	Net deferred tax - Asset	-213,815	4,273,178
	<b>Closing Balance - Deferred Tax Asset</b>	<b>61,955,962</b>	<b>61,742,147</b>
	The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Managements estimates of future profits considering the non-cancellable customer orders received by the Company.		
	<b>Note 30 Previous year's figures</b>		
30	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.		

In terms of our report attached.

**For V. Ramaratnam & Co.**  
Chartered Accountants

**R. Sundar**  
Partner

Place: Chennai - 600 034.  
Date: 28th May, 2013

for and on behalf of the Board of Directors

**BALA V KUTTI**  
*Chairman*

**RAVINDRANATH K S**  
*Director*

**RAGHAVAN T S**  
*Director*

**NIRANJAN R JAGTAP**  
*Director*

**DIRAVIAM S**  
*Company Secretary*



## INDOWIND ENERGY LIMITED

### BRANCH OFFICES

#### MUMBAI

603, Keshava Building, 6th Floor,  
Bandra Kurla Complex, Bandra East,  
Mumbai - 400 051. Tel : 022-26590125

#### MADURAI

85, Kamarajar Salai,  
Madurai - 625 009.  
Tel : 0452 - 2623161

### SITE OFFICES

#### NETTOR

Kidararakulam,  
Alangulam,  
Tirunelveli District,  
Tamilnadu - 627 854.

#### ARALVOIMOZHI

Subash Nagar  
Kumarapuram Road,  
Kanyakumari District,  
Tamilnadu - 629 301.

#### GADAG

Adarsha Nagar,  
Plot No. 16, Gadag,  
Karnataka - 582 103.  
Tel : 08372 - 230262

#### CHITRADURGA

Srinivas Complex,  
First Floor,  
B.P. Extension Area,  
Chitradurga - 577 501.

Tel : 04652 - 263889

### WORKS

#### PUDUCHERRY

1/3, Karasur Revenue Village, Sedarapet,  
Puducherry - 605 111. Tel : 0413 - 2671231

### PROJECT SITES

#### TAMILNADU

##### Kanyakumari Dist.

1. Aralvaimozhi
2. Senbagaramanpudur
3. Muppandal

##### Tirunelveli Dist.

1. Pazhavor
2. Kasukuvithan
3. Keelaveeranam
4. Karungulam
5. Sundarapandiapuram
6. Sambavar Vadakarai
7. Perungudi
8. Levingipuram

#### KARNATAKA

##### Gadag Dist.

1. Mallasamudra
2. Nagavi
3. Beladaddi

##### Koppal Dist.

1. Hanumasagar

##### Chitradurga Dist.

1. Elkornahalli
2. Palavanahalli



**INDOWIND ENERGY LIMITED**  
**Regd. Office "Kothari Building", 4<sup>th</sup> Floor**  
**114, Mahatma Gandhi Road, Nungambakkam,**  
**Chennai- 600 034.**

**ATTENDANCE SLIP**

Please fill Attendance Slip and hand it over at the Entrance of the Meeting Hall.

NAME AND ADDRESS OF THE SHARHOLDER

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Folio No.	DP.ID	
	CLIENT ID*	

I hereby record my presence at the 18th Annual General Meeting held on 27th September 2013 Hotel Savera, 146, Dr. Radhakrishnan Salai, Mylapore, Chennai - 600 004.

SIGNATURE OF THE MEMBERS OR PROXY	SHARES HELD



**INDOWIND ENERGY LIMITED**  
**Regd. Office "Kothari Building", 4<sup>th</sup> Floor**  
**114, Mahatma Gandhi Road, Nungambakkam,**  
**Chennai- 600 034.**

**PROXY FORM**

I/we \_\_\_\_\_ of \_\_\_\_\_ in district of \_\_\_\_\_ being a member(s) of the above named Company hereby appoint Mr/Ms. \_\_\_\_\_ of \_\_\_\_\_ in the district \_\_\_\_\_ of or failing him Mr/Ms. \_\_\_\_\_ of \_\_\_\_\_ in district of \_\_\_\_\_ as my/our Proxy and vote for me/us on my / our behalf at the 18th Annual General Meeting of the Company to be held on \_\_\_\_\_ and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Folio No. \_\_\_\_\_

DPID : \_\_\_\_\_ CLIENT ID : \_\_\_\_\_

Re 1/-  
Revenue  
Stamp

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. This form duly completed should be deposited at the registered office of the Company at Chennai on or before 26<sup>th</sup> September 2013.

BOOK-POST

If Undelivered Please return to :



**INDOWIND ENERGY LIMITED**

"Kothari Buildings",  
4th Floor, 114, Mahatma Gandhi Road,  
Nungambakkam, Chennai - 600 034.  
Tel : 044-28330867 / 28331310