

# 24<sup>th</sup> ANNUAL REPORT 2018 -19



**INDOWIND ENERGY LIMITED**



## INDOWIND ENERGY LIMITED

### BOARD OF DIRECTORS

Mr. Bala V Kutti	-	Chairman
Mr. K S Ravindranath	-	Whole Time Director
Mr. Niranjana R Jagtap	-	Independent Director
Dr. K.R. Shyamsundar	-	Independent Director
Ms. Alice Chhikara	-	Director

### COMPANY SECRETARY

Ms. Harsha J

### AUDITORS

#### STATUTORY

M/s. Sanjiv Shah & Associates  
Chartered Accountants

#### Address :

80, Adarsha Appartments IIInd Floor  
Vepery High Road, Chennai - 600 007.  
Email : mail@ssaca.in

#### INTERNAL

S. Vasudevan & Associates  
Chartered Accountants

#### Address :

B1-H2 Newtech Indira, Jafferkhanpet,  
Ashok Nagar, Chennai- 600 083.

### SUBSIDIARY

Indowind Power Pvt. Ltd.

### BANKERS

DCB Bank Limited  
Axis Bank Limited  
EXIM Bank Limited

### REGISTERED OFFICE

"Kothari Buildings", 4<sup>th</sup> Floor, 114, M.G. Road,  
Nungambakkam, Chennai - 600 034.  
Tel : 044-28330867 / 28331310 Fax : 044-28330208.  
E-mail : contact@indowind.com / Website : www.indowind.com

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## INDOWIND ENERGY LIMITED

**NOTICE** is hereby given that **24<sup>th</sup> Annual General Meeting** of Indowind Energy Limited having CIN: L40108TN1995PLC032311 will be held at **The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai-600 014, on Wednesday, 18<sup>th</sup> September 2019 at 4:00 PM** to transact the following businesses.

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in the place of **Ms. Alice Chhikara** (Director Identification No.00088920) who retires by rotation and being eligible offers herself for reappointment.
3. Appointment of Auditors.

To consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder M/s. Sanjiv Shah & Associates, Chartered Accountants, Chennai (ICAI Firm Registration No.003572S) be and are hereby appointed as Statutory Auditors of the company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 25<sup>th</sup> Annual General Meeting, and that the Board of Directors be and is hereby authorized to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.”

### **NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER SELF 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 **12.09.2019 to 18.09.2019** (both days inclusive).
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Soft copies of the Annual Report are being sent to all the members who have registered their e-mail addresses with their Depository Participants.



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However, if any member requires a hard copy, they may make a request in writing to the company secretary in this regard.

8. 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.
9. Member 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.
10. Information regarding the Directors proposed to be reappointed pursuant to SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is annexed.
11. Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members in respect of the business to be transacted at the AGM scheduled to be held on **18<sup>th</sup> September 2019 Wednesday, at 4:00 pm** with a request to follow the instructions for voting electronically as under:-

The voting period begins on **15<sup>th</sup> September 2019 at 9:00 a.m. and ends on 17<sup>th</sup> September 2019 at 5:00 p.m.** During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cut-off date (**Record date 11<sup>th</sup> September 2019**) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of member receiving e-mail:

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- ii. Click on "Shareholders"
- iii. Now, select "INDOWIND ENERGY LIMITED" from the drop down menu and click on "SUBMIT"
- iv. Now Enter your User ID
  - a) For CDSL: 16 digits beneficiary ID.
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c) Members holding shares in Physical form should enter Folio Number registered with the Company.
- v. Next enter the image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.



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vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric "PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company Depository Participant their name and the last 8 digits of the demat account/folio number in the PAN field.</p> <p>In case the folio number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p>
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account of folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p># Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cutoff date in the Dividend Bank details field.</p>

viii. After entering these details appropriately, click on "SUBMIT" tab.

- ix. Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts they are eligible to vote provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN of "INDOWIND ENERGY LIMITED" on which you choose to vote.
- xii. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK' else to change your vote, click on "CANCEL" and accordingly modify your vote.



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- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “click here to print’ option on the Voting page.
- xvii. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Note for institutional Shareholders.
- Institutional shareholders (i.e. other than individuals, HUF, NRI ect.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create a corporate user who would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - In case you have any queries or issues regarding e-voting you may contact company secretary Ms. Harsha J on 044 – 2833 1310 or [harsha@indowind.com](mailto:harsha@indowind.com)
  - In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - The Company has appointed Mr. R. Kannan, Practicing Company Secretary, Chennai (C.P. No. 3363) to act as scrutinizer for conducting the electronic voting process in a fair and transparent manner.
  - In case of members receiving the physical copy, please follow all steps from Sl. No. (i) to Sl. No. (xviii) above to cast vote.
  - The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) **11<sup>th</sup> September 2019**.
  - A copy of this Notice has been placed on the website of the Company and the website of CDSL.
13. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing will disclose



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the results forthwith. The Results declared along with the Scrutinizer's Report shall be placed on the Company's / CDSL's website within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on **11<sup>th</sup> September 2019**.

Members who did not cast their vote through e-voting during the e-voting period shall be allowed to cast their vote at the AGM through ballot paper. Members who have voted through e-voting can attend the meeting but cannot vote again through ballot paper at AGM.

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

**HARSHA J**  
Company Secretary

Place: Chennai - 600 034.  
Date: 30<sup>th</sup> May 2019.

### **BRIEF PROFILE OF Ms. ALICE CHHIKARA**

Ms. Alice Chhikara, has over 16 years' experience in Investment, Asset Management and Corporate Finance. She has gained rich experience while working with globally renowned financial institutions such as Deutsche Bank. She has been involved in investment and management of Renewable Energy Assets. She led the Asia operations of a London headquartered Investment Banking Boutique focused of raising capital for mid-sized Asian companies. She has extensive experience in capital reorganization, refinancing and restructuring. She holds a degree in Banking & Finance from London School of Economics & Political Science.



## INDOWIND ENERGY LIMITED

### REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSIONS AND ANALYSIS OF INDOWIND ENERGY LIMITED

To

The Members

Your Directors are pleased to present this 24<sup>th</sup> Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March 2019.

#### **FINANCIAL HIGHLIGHTS AND PERFORMANCE**

PARTICULARS	INR In Million	
	2018-19	2017-18
Total Income	210.00	279.47
Total Expenses	109.15	110.40
EBIDTA	100.85	169.07
Finance cost	69.98	76.64
Depreciation	93.18	95.00
Provision for Mark to Market cost	33.73	(4.91)
Profit Before Exceptional Item	(96.04)	2.34
Exceptional Item	-	238.99
Profit/Loss Before Tax	(96.04)	(236.65)
Tax Provision	26.59	(26.59)
Profit/Loss After Tax	(122.63)	(210.06)

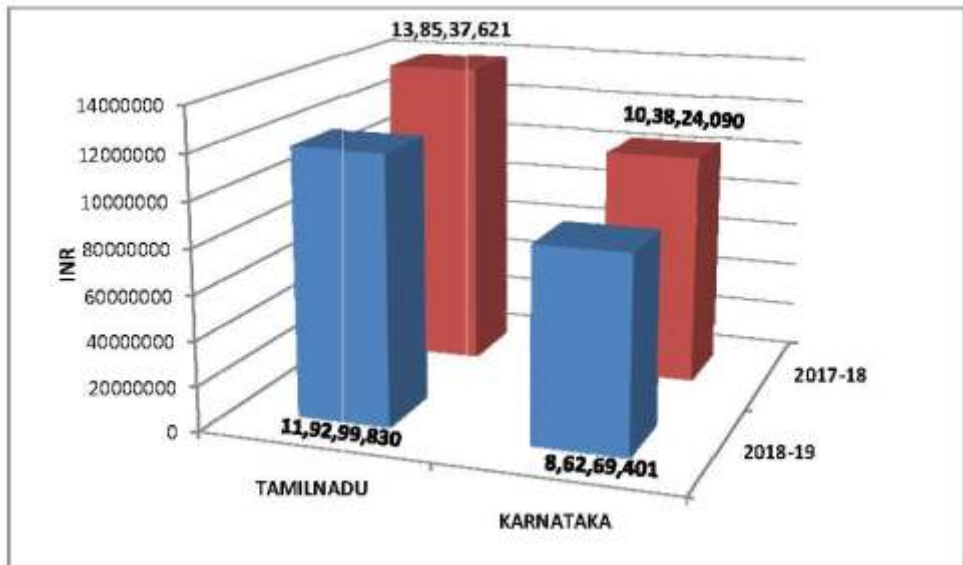




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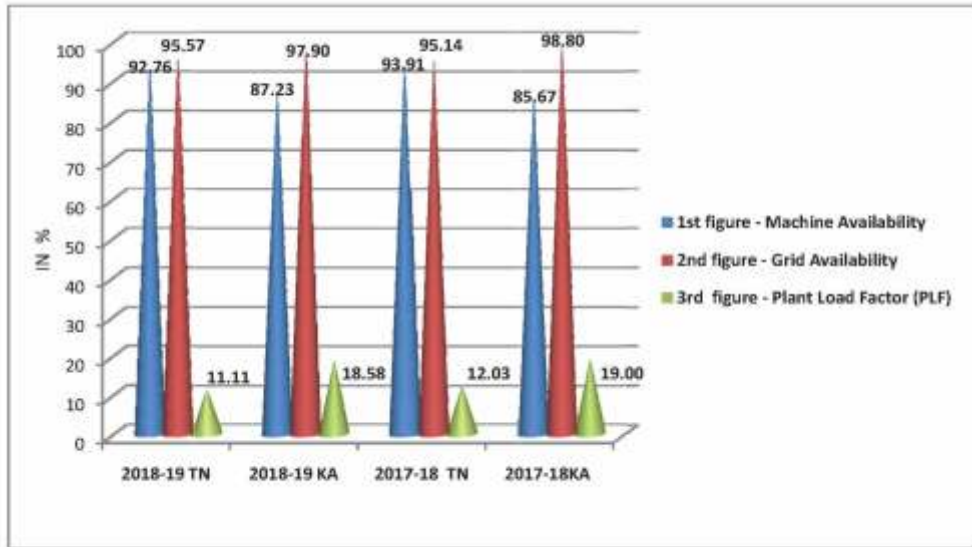
The Company's total income has fallen from Rs. 279.47 Mn. to Rs. 210 Mn. during the financial year 2018-19 due to the delay in the onset of South West and North East wind season, coupled with increase in O & M charges levied by TANGEDCO. The company also has to provide mark-to-market loss of Rs.33.73 Mn. These factors made the company to incur Rs.96.04 Mn. loss during the financial year 2018-19. The company is hopeful of improving the generation and profits in the current financial year 2019-20. In view of inadequacy of profit your company is not in a position to recommend dividend for the year under review..

### POWER SALE



### MACHINE AVAILABILITY, GRID AVAILABILITY AND PLANT LOAD FACTOR (PLF) %:

Year	States	Machine Availability	Grid Availability	Plant Load Factor (PLF) %
2018-19	Tamil Nadu	92.76	95.57	11.11
2017-18	Tamil Nadu	93.91	95.14	12.03
2018-19	Karnataka	87.23	97.90	18.58
2017-18	Karnataka	85.67	98.80	19.00



For the Financial Year 2018-19 Machine availability for TN is 92.76% and KA is 87.23% as compared to 93.91% and 85.67% respectively for the previous year 2017-18. Machine availability in TN is dropped down because of gear box failure of one machine of 750kw Wind Energy Generator. However, machine availability in KA has increased by improving the efficiency of existing machines.

For the Financial Year 2018-19 Grid availability for TN is 95.57% and KA is 97.90% as compared to 95.14% and 98.80% respectively for the previous year 2017-18.

For the Financial Year 2018-19 Plant Load Factor (PLF) for TN is 11.11% and KA is 18.58% as compared to 12.03% and 19.00% respectively for the previous year 2017-18. PLF was on the lower side due to poor north east monsoon.

### **RE potential and growth in India**

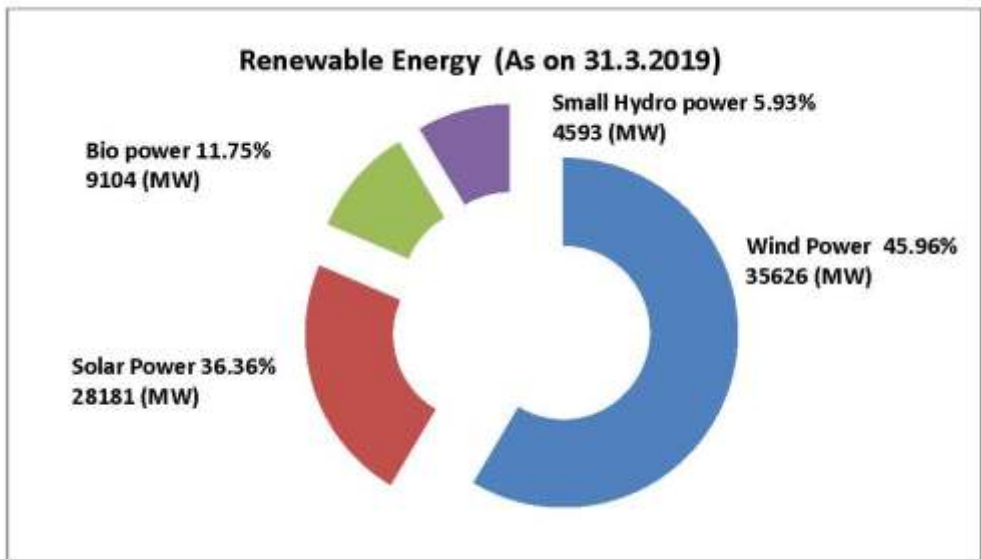
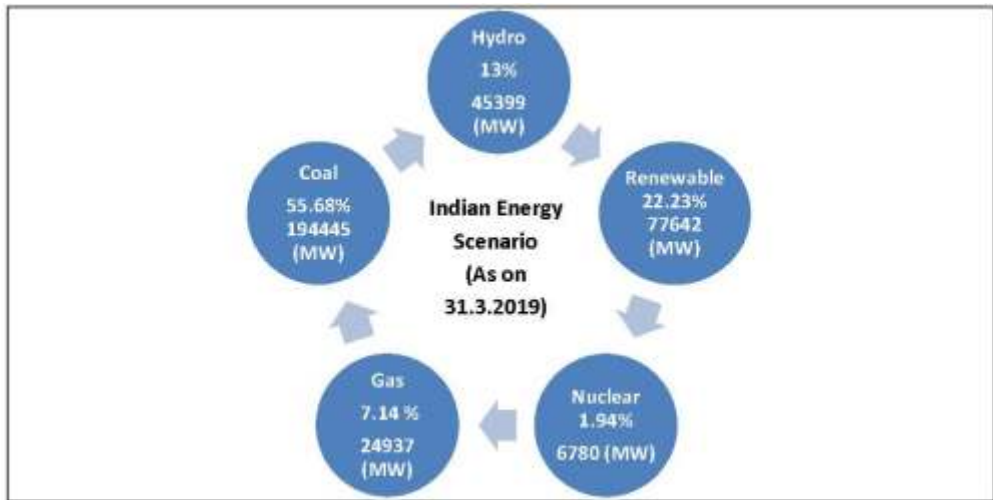
The renewable energy sector in India had nominal growth in the financial year 2018–19.

Ministry of New and Renewable Energy (MNRE) has increased their wind power capacity by adding over 1480.97 MW in 2018-19.

The leading States in the wind power capacity addition during 2018-19 are Tamil Nadu 771.82 MW, followed by Gujarat 459.65 MW and Andhra Pradesh 123.50 MW. In addition, Karnataka, Telangana, Maharashtra and Rajasthan have reported 86.50 MW, 27.30 MW, 10.20 MW and 2 MW wind power capacity addition respectively during 2018-19.



In India, renewable energy currently accounts for about 22.23% of the total installed capacity of 349,203 MW.



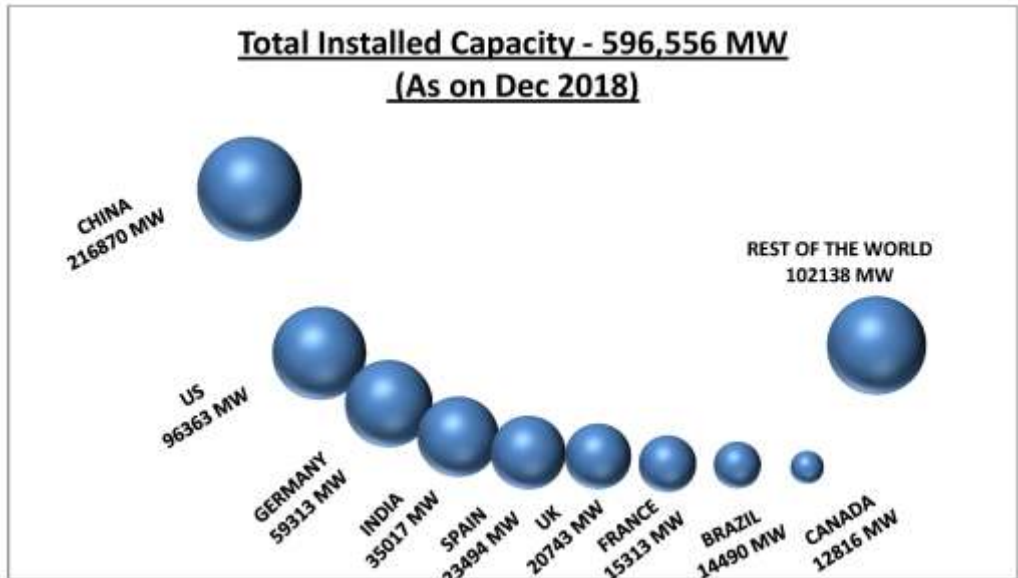


## INDOWIND ENERGY LIMITED

### WIND POWER CAPACITY INSTALLATIONS – INDIA (IN MW)

INDIA - WIND POWER CAPACITY INSTALLATIONS FY 2018-19																		
S.No.	State	Total Installed till FY 17-18	Total Operational till FY 17-18	FY 2018-19												Total during FY 18-19	Total Installed till FY 18-19	Total Operational till FY 18-19
				April, 18	May, 18	June, 18	July, 18	Aug. 18	Sep. 18	Oct. 18	Nov. 18	Dec. 18	Jan. 19	Feb. 19	March 19			
1	Andhra Pradesh	3967.00	3967.00	14	12	16.8	14.5	0	0.00	50.1	0	2.1	0	14	0.0	123.50	4090.50	4090.50
2	Gujrat	5702.30	5613.41	6	14.1	10.5	2.1	146	10.55	50	0	102.4	10.8	20.4	96.8	459.65	6161.95	6073.06
3	Krnataka	4509.45	4509.45	0	0	33.6	24	0	0.00	6.3	0	10.5	0	0	12.1	86.50	4595.95	4595.95
4	Kerala	52.90	52.90	0	0	0	0	0	0.00	0	0	0	0	0	0.00	52.90	52.90	52.90
5	Madhya Pradesh	2519.90	2519.90	0	0	0	0	0	0.00	0	0	0	0	0	0.00	0.00	2519.90	2519.90
6	Maharashtra	4784.30	4783.98	0	0	0	0	0	0.00	4.2	0	0	0	0	0.00	10.20	4794.50	4794.18
7	Rajasthan	4297.65	4297.65	0	0	2	0	0	0.00	0	0	0	0	0	0.00	2.00	4299.65	4299.65
8	Tamilnadu	8137.08	8197.08	0	2.1	37.375	40.75	14.1	42.33	260.7	30.5	6.3	133.2	3.6	201.0	771.82	8968.90	8968.90
9	Telangana	100.80	100.80	0	0	0	27.3	0	0.00	0	0	0	0	0	0.00	27.30	128.10	128.10
10	Other	4.30	4.30	0	0	0	0	0	0.00	0	0	0	0	0	0.00	0.00	4.30	4.30
	<b>Total</b>	<b>34135.68</b>	<b>34046.46</b>	<b>20</b>	<b>28.2</b>	<b>100.28</b>	<b>108.7</b>	<b>160.</b>	<b>52.88</b>	<b>371.3</b>	<b>30.5</b>	<b>121.3</b>	<b>150</b>	<b>38</b>	<b>299.9</b>	<b>1480.97</b>	<b>35616.65</b>	<b>35527.43</b>

### WIND INSTALLATION IN THE WORLD





### **OPERATIONAL REVIEW ON TNERC & TANGEDCO NORMS**

1. From 1<sup>st</sup> January, 2019 Tamil Nadu Generation and Distribution Corporation (TANGEDCO) has introduced Automated Meter Reading (AMR). This mechanism will help in instant availability of generation data, service connection helping in allotment of energy generated to our clients.
2. Tamil Nadu Electricity Regulatory Commission (TNERC) has mandated Forecasting & Scheduling and Deviation Settlement Mechanism (DSM) with effect from June 2019 which will help in scheduling evacuation of power generated and also minimize the cost for deviating from the forecasted energy through appointing a Qualified Coordinating Agency (QCA) from TANGEDCO panel.

### **PENDING CLAIMS**

The company had to face challenges due to non receipt of claims from Dena Bank (which is merged with Bank of Baroda w.e.f 1<sup>st</sup> April, 2019), interest on delayed payments from TANGEDCO and claim against performance guarantee from Suzlon Energy Limited. The total pending claims as on date works out to Rs.62.91cr. The company is pursuing the case and putting efforts to recover the claims at the earliest to reduce the liabilities. The company is also facing challenges from the bankers viz., Exim Bank who has levied exorbitant interest and also converted the debts from USD to INR. The company has initiated legal proceedings on the bank to stick to its sanctioned interest rates and to release the balance loan amount. The company is looking at various options to restructure the debt and raise loan at low interest rates to overcome the challenges.

### **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

The Inventory Turnover ratio is less by 91% as compared to the previous financial year. The negative variance is on account of poor monsoon season due to which there was no closing inventory.

The Operating Profit is less by 61% as compared to the previous financial year. The negative variance is on account of decrease in sale due to shortage of inventory.

The Net Profit was better by 59% as compared to previous financial year. As in previous year the profit before exceptional item was taken into account.

### **DETAILS OF CHANGE IN RETURN ON NET WORTH**

Return on Net worth was 8% for 2017-18 and 6% for 2018-19.

### **RISKS AND CONCERNS**

1. TANGEDCO policy on removal of banked units for future projects may also take up for old projects which will affect the revenue.
2. Deviation Settlement Mechanism (DSM) through Forecasting & Scheduling by TNERC
3. Expected revision in levy of O&M charges by TANGEDCO will affect the net revenue realization of the company if implemented.



## **INDOWIND ENERGY LIMITED**

4. The continued delay in realization of recoveries of debts is affecting re-deploying in other projects.

### **OPPORTUNITIES**

1. Introduction of Automated Meter Reading (AMR) by TANGEDCO will help the company to have instant generation data through online portal.
2. The long term fund availability is now at a cheaper rate.

### **FUTURE PLANS**

1. The company is trying to find early solution for existing recovery of dues and claims to reduce the debts during the current year. The company is also exploring options to raise bond issue or new re-financing of the existing loan with repayment obligations in line with the generation income and life of the assets. The company is also exploring options for adding 10 MW capacity after completing the make change.
2. The company could not complete make change and repowering of some of the projects viz., 2.5 MW in 2018-19 due to the non-availability of approvals. The company has to evaluate the viability of the policy changes by TANGEDCO to analyze the new guidelines on repowering, manage cash flow problems due to the revenue decline from the current projects. However, the total amount required to complete these projects are only around Rs. 3 crores and the company is confident of completing it during the current financial year.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The company has provided contributions to support local festivals and cultural activities in the site areas to encourage participation of local population and encourage the local cultural heritage.

### **NUMBER OF MEETINGS OF THE BOARD**

Indowind Energy Limited held 6 Board Meetings during the year ended 31<sup>st</sup> March 2019. These were on 30<sup>th</sup> May 2018, 8<sup>th</sup> June 2018 (Adjourned Meeting), 13<sup>th</sup> August 2018, 27<sup>th</sup> September 2018, 8<sup>th</sup> November 2018, and 12<sup>th</sup> February 2019.

### **DIRECTORS**

Ms. Alice Chhikara is retiring in the forthcoming 24<sup>th</sup> AGM of the company and being eligible offers herself for re-appointment.

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR'S UNDER SECTION 149 (6) OF COMPANIES ACT 2013**

The Company has obtained declaration from the Independent Director's that they meet the criteria of Independence as provided in section 149 (6) of the Companies Act 2013.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors hereby state that;



## **INDOWIND ENERGY LIMITED**

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 2019 and profit / loss for the Company for the year ended 31<sup>st</sup> March 2019.
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 safeguarding 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.
5. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **AUDIT COMMITTEE**

The details are furnished under the Corporate Governance Report (CGR) annexed to this Report. All the recommendations of the Committee were accepted by the Board.

### **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

The details are available in the website of the Company at [www.indowind.com](http://www.indowind.com)

### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Board of Directors and the designated employees have confirmed compliance with the Code.

### **DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

Mr.S.Diraviam has resigned from the post of Company Secretary on 6<sup>th</sup> April, 2018 and Ms. Harsha J has been appointed as Company Secretary of the Company with effect from 6<sup>th</sup> April, 2018 during the financial year 2018-19.

Mr. N.K.Haribabu has been appointed as Chief Financial Officer with effect from 30<sup>th</sup> May, 2019 of the company.



### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

There is no loan / Guarantee is outstanding as on 31.03.2019. With respect to investments, details are provided under Note No.6 of Notes on accounts under non-current investments.

### **BUSINESS RISK MANAGEMENT**

The details are available in the website of the Company at [www.indowind.com](http://www.indowind.com)

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and LODR Regulations, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board. The evaluation was on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its mandatory shareholders etc. The performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non independent Directors was carried out by the Independent Directors and vice versa. The Directors expressed their satisfaction with the evaluation process.

### **DEPOSITS**

During the year under review the company has not accepted any deposits from the public within the ambit of section 73 of The Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

### **VIGIL MECHANISM**

As required under Section 177 of Companies Act, 2013 (the Act) and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company has established a vigil mechanism for directors and employees to report genuine concerns through the whistle blower policy of the Company as published in the website of the Company. As prescribed under the Act and the Listing Regulations, provision has been made for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

### **FINANCIAL STATEMENTS OF THE SUBSIDIARY COMPANY – Indowind Power Pvt. Ltd, (IPPL)**

IPPL has substantially contributed to the turnover of your company for the year under review. The Authorized Capital of the Company is Rs. 1,50,00,000/- comprises of 15,00,000 equity shares of Rs. 10/- each. The issued and Paid up capital of the company is Rs. 1,33,69,600/- comprises of 13,36,960 equity shares of Rs. 10/- each, out of which Indo wind Energy Ltd holds 682,560 equity shares of Rs. 10/- each amounting to 51.05% of the total paid up capital.





## INDOWIND ENERGY LIMITED

### **FINANCIAL HIGHLIGHTS AND PERFORMANCE**

INR. In Million

PARTICULARS	2018-19	2017-18
Total Income	14.14	19.20
Total Expenses	14.10	19.03
Profit before Tax	0.04	0.17
Tax	0.01	0.05
Profit After Tax	0.03	0.12

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

As of 31<sup>st</sup> March 2019, Your Company has 68 employees on its rolls at different locations including Senior Management Personnel, Engineers, Technicians and Trainees. The 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.

### **VARIATIONS IN THE MARKET CAPITALISATION OF THE COMPANY, PRICE EARNINGS RATIO AS AT THE CLOSING DATE OF THE CURRENT FINANCIAL YEAR AND PREVIOUS FINANCIAL YEAR**

Particulars	March 31, 2019	March 31, 2018	% Change
Market Capitalization (Rs.)	50,16,54,907	Rs. 65,87,02,507	-23.84
Price earnings ratio	4.08	3.14	+29.94

### **PERCENTAGE OF INCREASE OR DECREASE IN THE MARKET QUOTATION OF THE SHARES IN COMPARISON TO THE RATE AT WHICH THE COMPANY CAME OUT WITH THE LAST PUBLIC OFFER**

Price of public offer Rs. 65/- Market price as on 31.03.2019, Rs. 5.59/- difference (Rs. 59.41/-) (91.4%)

### **CORPORATE GOVERNANCE**

Your Company has complied with the requirements regarding Corporate Governance as required under SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015 entered in to 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 BSE Ltd, Mumbai and National Stock Exchange of India Ltd., Mumbai.

### **AUDITORS**

M/s.Sanjiv Shah & Associates, Chartered Accountants, Chennai retires at the conclusion of this Annual General Meeting and are eligible for reappointment.

### **RESPONSE TO THE AUDITOR'S BASIS OF QUALIFIED OPINION:**

As regards Auditors' basis of qualified opinion mentioned in para 3(i) to (iv) of their report dt 30<sup>th</sup> May, 2019 your directors wish to state as under:

Exim Bank sanctioned a Term loan of Euro 18 Mn. equivalent to USD 25 Mn. during June 2010 in accordance with which, the company was to raise USD 3.7 Mn. from consortium of banks additionally, for setting up of 25 MW project with equity margin of 20% from internal accruals.

The exchange rate as per the projected cost and means of finance was Rs.45.20 / USD. Subsequently, the company had also executed a Trust and Retention Account (TRA) with Exim Bank determining the order of priority of apportionment of project collections as, Trust bank charges, Asset management expenses, Charges to lenders, Principal to lenders, Topping up of DSRM and Surplus to borrower.

There was delay in release of loan amount by the bank. This impacted the timely commencement of the project. The bank released USD 10 Mn. only in May 2011. The company could complete 6 MW assets and had to meet huge interest cost to bank due to delay in release of further funds. Subsequently, the bank also modified the terms of sanction in accordance with which, the company provided additional deposit and third party security by way of 40 lakh shares of the company on the condition that entire sanctioned loan would be released. Thereafter, the bank released only USD 1.84 Mn. for completing additional 2 MW project. The bank had also debited USD 0.18 Mn. towards penalty and also created a deposit in lieu of charging the lands of the project, to the tune of USD 0.61 Mn. Bank did not release the balance loan sanctioned to the company. The bank also increased the interest rate on the loan while giving very less interest on the funds withheld by the bank in the form of deposits. The company objected to all this as this could affect the long term viability of the project. Combination of all these complications resulted in completion of only 8 MW and also jeopardized the advances made by the company for the whole project. The wind mill project can service the INR loan only at around 8 to 9% and USD loan only @ 3 to 4% based on the tariff policy of the GOI. Due to High rate of interest coupled with non-revision of tariff by the Electricity Board, the company represented to the bank by placing plea to reduce the interest rate to a lower level and increase the repayment tenure and rectify the effect of excess fee, penalty, deposit along with cumulative interest effect on the cash flow for the sustainability of the project in line with



## **INDOWIND ENERGY LIMITED**

earnings of the project. As there was no definite action for relief from the bank for releasing the balance sanctioned amount and rectification of the cumulative effect of the above, the company approached the Hon'ble High Court of Bombay for the above reliefs. The 8 MW project put up with the bank's assistance earns on an average Rs. 5.50 crores p.a. and so far, the project has repaid to the bank to the tune of Rs. 32.95 crores to the bank for the project. The project is expected to work for more than 20 years and expected to earn more than Rs.110 crores at current tariff levels. The management believes the tariff will go up in future to yield more revenue from the project. Hence the project is considered to be financially sound to service the debts on its own to the bank.

As regards the basis of their qualified opinion mentioned in para (v) and (vi) of their report dt. mentioned herein above your directors wish to state as under:

The project supplied by Suzlon is backed by Performance Guarantee. The company's claim for shortfall in generation from the suppliers was not honoured by the supplier. The company initiated legal proceedings and won the Arbitration award which determined compensation of Rs. 20.73 crores for the shortfall in generation till March '15 and with further interest @ 18% till the date of payment. The total amount of the award along with interest is approx Rs. 28 crores which is classified as 'Capital Advances'. The company has to utilize the amounts to complete the pending project due to non release of funds by Exim Bank or for closure of the loans. The company has also initiated legal proceedings for realizing shortfall dues after 01.04.2015 to-date totalling about Rs. 30 crores.

The company has to complete the repowering of about 2.5 MW by obtaining necessary approval from TANGEDCO which was getting delayed due to the pending repowering policy guideline. The company is confident of getting necessary approval for the repowering and complete the same during the current financial year.

### **EXTRACT OF ANNUAL RETURN**

As provided in Sec 92 (3) of the Act the extract of annual return is given in Annexure (1) of this report in the format Form MGT-9, which forms part of this report.

### **TRANSACTIONS WITH RELATED PARTIES**

Detailed information is provided with respect to the list of Related Parties under Note No.37 of the Notes on accounts and with respect to transactions with related parties are given in detailed under Note No.37 of the notes on accounts in the format Form AOC-2, which forms part of this report in Annexure (3).

### **SECRETARIAL AUDIT REPORT**

Mr. R. Kannan PCS is the Secretarial Auditor of the company for the year under review and his report is attached with this in the format Form MR-3, which forms part of this report in Annexure (4). With respect to the observation of Secretarial Auditor in his report we wish to state that the company has appointed CFO in the Board Meeting held on 30<sup>th</sup> May, 2019.



## **INDOWIND ENERGY LIMITED**

### **ADEQUACY OF INTERNAL CONTROL**

Your Company has effective and adequate internal control system 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 134 OF THE COMPANIES ACT, 2013 AND ITS COMPANIES (ACCOUNTS) RULES 2014**

The particulars required to be given in terms of section 134 of the Companies Act, 2013 and its Companies (Accounts) Rules, 2014, 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 Shareholders, Bond 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.

### **DISCLAIMER**

The management Discussion and Analysis contained herein is based on the information available to the Company and assumptions based on experience in regard to domestic and global economy, on which the Company's performance is dependent. It may materially influenced by changes in economy, government policies, environment and the like, on which the Company may not have any control, which could impact the views perceived or expressed herein.

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

Place: Chennai - 600 034  
Date: 30<sup>th</sup> May 2019.

**Bala V Kutti**  
Chairman

**INDOWIND ENERGY LIMITED****ANNEXURE 1  
EXTRACT OF ANNUAL RETURN****as on the financial year ended 31<sup>st</sup> March 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**Form No. MGT-9****I. REGISTRATION AND OTHER DETAILS:**

CIN	L40108TN1995PLC032311
Registration Date	19.07.1995
Name of the Company	INDOWIND ENERGY LIMITED
Category / Sub-Category of the Company	Company limited by shares / Indian non Government Company
Address of the Registered office and contact details	No.114, Kothari Building, IV Floor, M.G. Road, Nungambakkam, Chennai – 600 034.
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. CIN : U99999MH1994PTC076534 E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Power Generation	3510 (Power)	97.29

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	INDOWIND POWER PVT. LTD No.114, Kothari Building, IV Floor, M.G. Road, Nungambakkam, Chennai 600 034.	U40103TN2010PTC077068	Subsidiary	51.05	2 (87)



## INDOWIND ENERGY LIMITED

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total Shares	% of Total	Demat	Physical	Total Shares	% of Total	
<b>(A) Shareholding of Promoter &amp; Promoter group</b>									
<b>Indian</b>									
(a) Individual / Huf	7797490	0	7797490	8.69	7797490	0	7797490	8.69	0.00
(b) Central / State Government(S)	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	35345617	0	35345617	39.39	36358186	0	36358186	40.51	1.13
(d) Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Others (Specify)									
(i) Group Companies	0	0	0	0.00	0	0	0	0.00	0.00
(ii) Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(iii) Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(1) :</b>	<b>43143107</b>	<b>0</b>	<b>43143107</b>	<b>48.07</b>	<b>44155676</b>	<b>0</b>	<b>44155676</b>	<b>49.20</b>	<b>1.13</b>
<b>Foreign</b>									
(a) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individual	756000	0	756000	0.84	756000	0	756000	0.84	0.00
(c) Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(2) :</b>	<b>756000</b>	<b>0</b>	<b>756000</b>	<b>0.84</b>	<b>756000</b>	<b>0</b>	<b>756000</b>	<b>0.84</b>	<b>0.00</b>
<b>Total Holding For Promoters</b>									
<b>(A)=(A)(1) + (A)(2)</b>	<b>43899107</b>	<b>0</b>	<b>43899107</b>	<b>48.92</b>	<b>44911676</b>	<b>0</b>	<b>44911676</b>	<b>50.05</b>	<b>1.13</b>
<b>(B) Public Shareholding Institutions</b>									
(a) Central / State Government(S)	0	0	0	0.00	0	0	0	0.00	0.00
(b) Financial Institutions / Banks	230000	0	230000	0.26	226050	0	226050	0.25	(0.00)
(c) Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Venture									



## INDOWIND ENERGY LIMITED

Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i) Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(J) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(k) Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (B)(1) :</b>	<b>230000</b>	<b>0</b>	<b>230000</b>	<b>0.26</b>	<b>226050</b>	<b>0</b>	<b>226050</b>	<b>0.25</b>	<b>(0.00)</b>
<b>(C) Shares Held By Custodians And Against Which Depository</b>									
(a) Shares Held By Custodians	0	0	0	0.00	0	0	0	0.00	0.00
(i) Promoter And Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii) Public	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (C)(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A)+(B)+(C)</b>	<b>89707438</b>	<b>34048</b>	<b>89741486</b>	<b>100.00</b>	<b>89707438</b>	<b>34048</b>	<b>89741486</b>	<b>100.00</b>	<b>0.00</b>

### ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year 2018			Shareholding at the end of the year 2019			
		No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Bala Venkat Kutti	50000	0.0557	0.0000	50000	0.0557	0.0000	0.0000
2	Indus Capital Private Limited	495000	0.5516	0.0000	495000	0.5516	0.0000	0.0000
3	K B Prathadevi	575000	0.6407	0.0000	575000	0.6407	0.0000	0.0000
4	Manoharan V Kutti	756000	0.8424	0.0000	756000	0.8424	0.0000	0.0000
5	Bala Venkat Kutti	1350000	1.5043	0.0000	1350000	1.5043	0.0000	0.0000
6	Bala Venkat Kutti	1414997	1.5767	0.0000	1414997	1.5767	0.0000	0.0000
7	K. S. Ravindranath	1784995	1.9890	0.0000	1784995	1.9890	0.0000	0.0000
8	Ind Eco Ventures Limited	2145653	2.3909	0.0000	2145653	2.3909	0.0000	0.0000
9	Bala Venkat Kutti	2622498	2.9223	0.0000	2622498	2.9223	0.0000	0.0000
10	Indus Finance Limited	6421765	7.1558	0.0000	6421765	7.1558	0.0000	0.0000
11	Loyal Credit And Investments Limited	8125448	9.0543	4000000	8125448	9.0543	4000000	0.0000
12	Soura Capital Private Limited	18157751	20.2334	0.0000	19170320	21.3617	0.0000	1.1283
<b>Total</b>		<b>43899107</b>	<b>48.9171</b>	<b>4000000</b>	<b>44911676</b>	<b>50.0454</b>	<b>4000000</b>	<b>1.1283</b>



## INDOWIND ENERGY LIMITED

### iii) Change in Promoters' Shareholding (Please specify, if there is no change)

SOURA CAPITAL PVT. LTD,	Shareholding at the beginning of the year 01/04/2018		Cumulative Shareholding during the year 31/03/2019	
	No. of Shares	% of total shares	No. of Shares of the Company	% of total shares of the Company
At the beginning of the year	18157751	20.23	18157751	20.23
12-11-2018	60,000	0.07	18217751	20.30
12-11-2018	40,000	0.04	18257751	20.34
13-11-2018	59,352	0.07	18317103	20.41
13-11-2018	6000	0.01	18323103	20.42
14-11-2018	30,054	0.03	18353157	20.45
14-11-2018	45,000	0.05	18398157	20.50
15-11-2018	35,000	0.04	18433157	20.54
15-11-2018	15,000	0.02	18448157	20.56
16-11-2018	25,000	0.03	18473157	20.58
16-11-2018	25,000	0.03	18498157	20.61
19-11-2018	36,000	0.04	18534157	20.65
19-11-2018	14,000	0.02	18548157	20.67
20-11-2018	20,000	0.02	18568157	20.69
20-11-2018	30,000	0.03	18598157	20.72
21-11-2018	5000	0.01	18603157	20.73
21-11-2018	45000	0.05	18648157	20.78
22-11-2018	33000	0.04	18681157	20.82
22-11-2018	17000	0.02	18698157	20.83
26-11-2018	32800	0.04	18730957	20.87
26-11-2018	17200	0.02	18748157	20.89
27-11-2018	10000	0.01	18758157	20.90
28-11-2018	50000	0.06	18808157	20.96
29-11-2018	28568	0.03	18836725	20.99
30-11-2018	50000	0.06	18886725	21.05
03-12-2018	50000	0.06	18936725	21.10
04-12-2018	50000	0.06	18986725	21.16
05-12-2018	50000	0.06	19036725	21.21
06-12-2018	50000	0.06	19086725	21.27
07-12-2018	30000	0.03	19116725	21.30
10-12-2018	25000	0.03	19141725	21.33
11-12-2018	25000	0.03	19170320	21.36
<b>Total</b>			<b>19170320</b>	<b>21.36</b>





## INDOWIND ENERGY LIMITED

### iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company	
1	Commendam Investments Private Limited	0	31-Mar-18		Transfer	0	0.00	
			7-Dec-18	901462	Transfer	901,462	1.00	
			28-Dec-18	120000	Transfer	1,021,462	1.14	
			11-Jan-19	100000	Transfer	1,121,462	1.25	
			25-Jan-19	100000	Transfer	1,221,462	1.36	
			1-Feb-19	50000	Transfer	1,271,462	1.42	
			8-Feb-19	50000	Transfer	1,321,462	1.47	
			15-Feb-19	30000	Transfer	1,351,462	1.51	
			22-Feb-19	60000	Transfer	1,411,462	1.57	
			1-Mar-19	50000	Transfer	1,461,462	1.63	
			8-Mar-19	30000	Transfer	1,491,462	1.66	
			15-Mar-19	10538	Transfer	1,502,000	1.67	
			22-Mar-19	69999	Transfer	1,571,999	1.75	
			29-Mar-19	70000	Transfer	1,641,999	1.83	
			30-Mar-19	1,641,999	0	1,641,999	1.83	
2	DEEPAK NARAIN JADHAV	1,080,520	31-Mar-19	0	Transfer	1,080,520	1.20	
			30-Mar-19	0	Transfer	1,080,520	1.20	
3	SHAKUNTLA GUPTA	645,616	31-Mar-18	0	Transfer	645,616	0.72	
			30-Mar-19	0	Transfer	645,616	0.72	
4	GANESH VISHNU NALAWADE	500,000	31-Mar-18	0	Transfer	500,000	0.56	
			30-Mar-19	0	Transfer	500,000	0.56	
5	AJIT SINGH	480,000	31-Mar-18	0	Transfer	480,000	0.53	
			30-Mar-18	-10000	Transfer	470,000	0.52	
			8-Feb-19	-10000	Transfer	460,000	0.51	
6	REKHA DEEPAK JADHAV	460,000	30-Mar-19	0	Transfer	460,000	0.51	
			423,015	31-Mar-18	0	Transfer	423,015	0.47
			423,015	30-Mar-19	0	Transfer	423,015	0.47
7	KALI RAM GUPTA	414,447	31-Mar-18	0	Transfer	414,447	0.46	
			414,447	30-Mar-19	0	Transfer	414,447	0.46
8	EKTA RAJUL PATEL	367,609	31-Mar-18	0	Transfer	367,609	0.41	
			367,609	30-Mar-19	0	Transfer	367,609	0.41
9	NARENDAR KUMAR	299,893	31-Mar-18	0	Transfer	299,893	0.33	
			37940	27-July-18	Transfer	337,833	0.38	
			337,833	30-Mar-19	0	Transfer	337,833	0.38



## INDOWIND ENERGY LIMITED

Sl. No.	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
10	SATHYA S	263,170	31-Mar-18	0	Transfer	263,170	0.29
		263,170	30-Mar-19	0	Transfer	263,170	0.29
11	COMMENDAM INVESTMENT PRIVATE LIMITED	260,342	31-Mar-18	0	Transfer	260,342	0.29
			8-Jun-18	76034	Transfer	336,376	0.37
			7-Sep-18	182562	Transfer	518,938	0.58
			16-Nov-18	-518938	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00

### v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Directors				
<b>Mr.Bala V Kutti,Chairman</b>				
At the beginning of the year	5437495	6.06	5437495	6.06
	There is no change in Directors' Shareholding between 01.04.2018 to 31.03.2019			
At the end of the year	5437495	6.06	5437495	6.06
<b>Mr.K.S.Ravindranath, Whole Time Director &amp; KMP</b>				
At the beginning of the year	1784995	1.99	1784995	1.99
	There is no change in Directors' Shareholding between 01.04.2018 to 31.03.2019			
At the end of the year	1784995	1.99	1784995	1.99
<b>Mr.Niranjan R jagtap,Director</b>	-	-	-	-
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
<b>Dr.K.R. Shyamsundar</b>				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
<b>Ms. Alice Chhikara</b>				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-



## INDOWIND ENERGY LIMITED

KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Ms. Harsha. J, Company Secretary	-	-	-	-
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment of as 31.3.2019

(Rs.in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	99.30	-	-	99.30
ii) Interest due but not paid	0.27	-	-	0.27
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	99.57	-	-	99.57
Change in Indebtedness during the financial year				
Addition	10.20	-	-	10.20
Reduction	8.57	-	-	8.57
Net Change	1.63	-	-	1.63
Indebtedness at the end of the financial year				
i) Principal Amount	99.83	-	-	99.83
ii) Interest due but not paid	1.36	-	-	1.36
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	<b>101.19</b>	-	-	<b>101.19</b>



## INDOWIND ENERGY LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. in lakhs)

Sl. No.	Particulars of Remuneration	Mr. K.S.Ravindranath Whole Time Director	Total Amount
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	14.56	14.56
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify..	-	-
	<b>Total (A)</b>	<b>14.56</b>	<b>14.56</b>

### B. Remuneration to other Directors:

1. Independent Directors (Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. Niranjana R. Jagtap	Dr. K.R. Shyamsundar	
1	Fee for attending Board/Committee Meetings	1.40	1.40	2.80
2	Commission	-	-	-
3	Others, please specify	-	-	-
	<b>Total (B)(1)</b>	<b>1.40</b>	<b>1.40</b>	<b>2.80</b>



## INDOWIND ENERGY LIMITED

### 2. Other Non-Executive Directors

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Mr. Bala V. Kutti	Ms. Alice Chhikara	
1	Fee for attending Board/Committee Meetings	0.80	0.80	1.60
2	Commission	-	-	-
3	Others, please specify	-	-	-
	<b>Total (B)(2)</b>	<b>0.80</b>	<b>0.80</b>	<b>1.60</b>

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN WTD

(Rs. in lakhs)

Sr. No	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Harsha J Company Secretary	Total Amount
1	Gross Salary	4.77	4.77

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended 31<sup>st</sup> March, 2019.



## INDOWIND ENERGY LIMITED

### ANNEXURE 2 FORM NO. AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	INDOWIND POWER PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 1st April 2018 to 31st March 2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
4.	Share capital	Rs. 1,33,69,600/-
5.	Reserves & surplus	Rs. 7,12,581/-
6.	Total assets	Rs 11,27,11,239
7.	Total Liabilities	Rs 9,86,29,058
8.	Investments	-
9.	Turnover	Rs. 1,41,34,558
10.	Profit before taxation	Rs 38,583
11.	Provision for taxation	Rs 10,032
12.	Profit after taxation	Rs 28,551
13.	Proposed Dividend	NIL
14.	% of shareholding	51.05%



## INDOWIND ENERGY LIMITED

### ANNEXURE 3 FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

#### INTRODUCTION

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March 2019, which were not at Arm's length basis.

#### 2. Details of contracts or arrangements or transactions at Arm's length basis.

Nature of Related Party	Nature of Relationship	Salient Terms	Amount (in Rupees)
Indowind Power Private Limited	Subsidiary	Power share income	10,27,83,528
Indus Finance Ltd.	Associate	Power share income	3,75,000
Ind Eco Ventures Limited	Associate	Power share income	9,00,000
Bekae properties P Ltd.	Associate	Power share income	3,75,000
Everon Power Pltd	Associate	Power share income	15,94,118
Indowind Power Private Limited	Subsidiary	Investments	68,25,000
<b>Balance outstanding at the end of the year</b>			
Ind Eco ventures Ltd	Associate	Capital Advances - Acquisition of 6Mw Wind project	39,89,15,233
Indowind Power Private Limited	Associate	Other Non - Current Assets	5,28,81,288
Indowind Power Private Limited	Associate	Capital Work in progress	4,55,75,582
Ind Eco Ventures Limited	Associate	Other Non - Current Assets	10,13,71,186



## INDOWIND ENERGY LIMITED

### ANNEXURE 4 FORM NO. MR-3 SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Indowind Energy Limited  
Kothari Buildings, 4<sup>th</sup> Floor,  
114 MG ROAD,  
Nungambakkam,  
Chennai- 600034

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Indowind Energy Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the declaration letter by company secretary, and corporate governance issued by statutory bodies my verification of **M/s Indowind Energy Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Indowind Energy Limited** ("the Company") for the financial year ended on **March 31, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings is not applicable for the year under review
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;





## INDOWIND ENERGY LIMITED

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) The other laws as may be applicable specifically to the company
  - (a) Electricity Act, 2003
  - (b) The payment of gratuity act, 1972
  - (c) Employees Provident funds and Miscellaneous provisions act, 1952
  - (d) Employees state insurance act, 1948
  - (e) The employees Compensation act , 1923
  - (f) Forest Conservation Act, 1980
  - (g) Regulations & Guidelines issued by Ministry of Environment, Forest and Climate Change Government of India
  - (h) Regulations & Guidelines issued by Ministry of Water Resources, Government of India
  - (i) The Water (Prevention and Control of Pollution) Act, 1974 and rules made there under
  - (j) The Air (Prevention and Control of Pollution) Act, 1981 and rules made there under
  - (k) Environment (Protection) Act, 1986 and rules made there under
  - (l) Guidelines issue by National Green Tribunal

Based on a review of the compliance reports by functional heads of the company including The Wind mills erected in various location in India to Top Management/Board of Directors of the Company, I report that the company has substantially complied with the provision of those Acts that are applicable to it such as the factories Act 1948, payment of wages Act 1936, Industrial Disputes act 1947, Minimum Wages act 1948, Employees Provident Fund Act 1952, Employees state Insurance act 1948, Public Liability insurance act 1991, Environment Protection act 1986 and others pollution control and other law mentioned in the said checklist.

No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list. However I report that I have not carried out the audit with reference with the applicable financial laws, such as the Direct and Indirect Tax Laws, as same falls under the review of statutory audit and other designed professionals.

I have also examined compliance with the applicable clauses of the following:

- I. Secretarial standards on the meetings of the board of directors (SS-1) and General Meeting (SS-2) issued by the institute of Company Secretaries of India (ICSI).
- II. The Listing Agreement entered into by the company with the Stock Exchange(s) namely Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:



## INDOWIND ENERGY LIMITED

- (a) In respect of Appointment of Key Managerial Personnel as prescribed under Section 203 of Companies Act, 2013, the Company is yet to appoint Chief Financial Officer for the audit period.

I report that there were no actions / events in pursuance of

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operation of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines. I also report that the company has entered into Related Party Transactions and the same are at arm's length basis.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Signature:

**R Kannan**

**Practicing Company Secretary**

**FCS No: 6718**

**C P No: 3363**

Place: Chennai

Date: 27<sup>th</sup> May, 2019



## INDOWIND ENERGY LIMITED

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Indowind Energy Limited  
Kothari Buildings, 4<sup>th</sup> Floor,  
114 MG ROAD,  
Nungambakkam,  
Chennai- 600034.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

**R Kannan**

**Practicing Company Secretary**

**FCS No: 6718**

**C P No: 3363**

Place: Chennai

Date: 27<sup>th</sup> May, 2019



**REPORT ON CORPORATE GOVERNANCE OF INDOWIND ENERGY LTD**

**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 Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**1. 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:

**2. COMPOSITION OF THE BOARD**

The company has complied with the corporate governance norms in terms of constitution of the Board. The Board comprises of 5 Directors and their details are given in Table 1.

**a) NUMBER OF BOARD MEETINGS**

Indowind Energy Limited held 6 Board Meetings for the year ended 31<sup>st</sup> March 2019. These were on 30<sup>th</sup> May 2018, 8<sup>th</sup> June 2018 (Adjourned Meeting), 13<sup>th</sup> August 2018, 27<sup>th</sup> September 2018, 8<sup>th</sup> November 2018, and 12<sup>th</sup> February 2019.

**b) DIRECTORS’ ATTENDANCE RECORD AND DIRECTORSHIP HELD**

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	6	4	Yes	<ul style="list-style-type: none"> <li>&gt; M/s.Ind Eco Ventures Ltd</li> <li>&gt; M/s.Indus Finance Ltd.,</li> <li>&gt; M/s.Indonet Global Ltd.</li> <li>&gt; M/s.Loyal Credit &amp; Investments Ltd</li> <li>&gt; M/s. BVK Agri Producers Company Ltd</li> <li>&gt; M/s. Ever On Power Ltd</li> <li>&gt; M/s Quantum Limited</li> </ul>



## INDOWIND ENERGY LIMITED

Mr. K.S.Ravindranath	WholeTime Director	6	5	Yes	➤ M/s. BVK Agri Producers Company Ltd
Mr. Niranjan R Jagtap	Independent Director	6	6	Yes	➤ M/s. Ind Eco Ventures Ltd ➤ M/s. BVK Agri Producers Company Ltd ➤ M/s. Skyline Millars Ltd, ➤ M/s. Indus Finance Ltd ➤ M/s.Ever On Power Limited ➤ M/s.Quantum Limited
Ms. Alice Chhikara	Non Independent Director	6	4	Yes	➤ M/s. Indus Finance Ltd
Dr. K.R. Shyamsundar	Independent Director	6	6	Yes	➤ M/s. Indus Finance Ltd

None of the Directors is a member of more than 10 Board-level committees, or Chairman of more than 5 such committees, as prescribed under Regulation 26 of (Listing obligation and disclosures requirements) SEBI, 2015.

### c) Details of the Directorships and Membership/Chairmanship of Committees of each director in other Listed Companies as on 31<sup>st</sup> March, 2019

Name of the Director	Director in listed entity	Category	Committees	
			Membership	Chairmanship
Mr. Bala V Kutti	M/s.Indowind Energy Ltd.,	Non Executive Director	1	0
	M/s. Indus Finance Ltd.,	Executive Director	1	0
Mr. K.S. Ravindranath	M/s.Indowind Energy Ltd.,	Whole Time Director	2	0
Mr. Niranjan R Jagtap	M/s.Indowind Energy Ltd.,	Independent Director	3	3
	M/s. Skyline Millars Ltd,		2	0
	M/s. Indus Finance Ltd		3	3
Ms. Alice Chhikara	M/s.Indowind Energy Ltd.,	Non-Independent Director	0	0
	M/s. Indus Finance Ltd.,		2	0
Dr.K.R.Shyamsundar	M/s.Indowind Energy Ltd.,	Independent Director	3	0
	M/s. Indus Finance Ltd.,		3	0



**Notes:**

- No other director is related to them or each other.
- Mr. Bala V Kutti, Non Executive Director holds 54,37,495 shares. No other Non-Executive Director holds any shares in the Company.
- The details of familiarization programmes conducted for the Independent Directors are disclosed in the website of the Company at <http://www.indowind.com/download/FAMILIARISATION.pdf>
- In the opinion of the Board, the Independent Directors fulfill the conditions specified as per Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

**d) Details of skills/expertise/competence of Board of Directors**

The Board of directors of the company has identified following core skills/ expertise/ competencies as required in the context of your company business for it function effectively.

Knowledge about project industry with special emphasis on project and process design/engineering, project Management, Finance, Risk Assessment & Supply Chain, Human Capital, Information Technology.

The Board of Director of your company consists of eminent personalities from varied disciplines/skills such as in depth experience in all facets of project industry/Management, risk assessment and Management, Finance, Human Capital, Information Technology, legal and commercial aspects.

**3. 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.

**a) Terms of reference**

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18 (3) of Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

**b) Composition**

The company continued to drive immense benefit from the deliberation of the Audit Committee comprising of Directors, **Mr. Niranjana R Jagtap, Mr. K.S. Ravindranath and Dr. K.R. Shyamsundar**, who are highly experienced and having knowledge in project finance, accounts and company law. **Mr. Niranjana R. Jagtap** is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

**c) Attendance records of Audit Committee Members**

The Audit Committee met 4 times during the year ended 31<sup>st</sup> March 2019 i.e. 30<sup>th</sup> May 2018, 13<sup>th</sup> August 2018, 8<sup>th</sup> November 2018 and 12<sup>th</sup> February 2019 and the details of the attendance of the Members are as follows:

<b>Name of Director</b>	<b>Meetings attended</b>
Mr. Niranjan R. Jagtap	4
Mr. K.S. Ravindranath	3
Dr. K.R. Shyamsundar	4

**4. NOMINATION AND REMUNERATION COMMITTEE****a) Term of reference**

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned under Regulation 19 (4) of Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time

**b) Composition, name of members and Chairperson**

During the financial year, the Board has reconstituted Nomination and Remuneration Committee by including Mr. Bala V Kutti in the place of Ms. Alice Chhikara on 8<sup>th</sup> November, 2018 and at present the committee consists of the following members of the Board Mr. Niranjan R. Jagtap (Chairman), Dr. K.R. Shyamsundar and Mr. Bala V Kutti.

**c) Meetings and attendance during the year**

The Nomination and Remuneration Committee met 2 times during the year ended 31<sup>st</sup> March 2019 i.e. 06<sup>th</sup> April, 2018 and 12<sup>th</sup> February 2019 and the details of the attendance of the Members are as follows:

<b>Name of the Director</b>	<b>No. of meetings attended</b>
Mr. Niranjan R. Jagtap	2
Dr. K.R. Shyamsundar	2
*Ms. Alice Chhikara	1
**Mr. Bala V Kutti	1

\*upto 8<sup>th</sup> November, 2018

\*\*from 8<sup>th</sup> November, 2018



**d) Criteria for evaluation of the performance of the Independent directors**

The criteria for evaluation of the performance of Independent Directors include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a member of the Committee of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

**5. REMUNERATION OF DIRECTORS**

**i. Remuneration policy and criteria for making payments to Non-Executive Directors**

The Remuneration Policy of the Company as approved by the Board inter alia, contains the criteria for appointment of Independent Directors, Executive Directors, Non Executive Directors, Key Managerial Personnel and other employees. Guiding principles for fixing remuneration to employees who are not directors, etc. The following is the Remuneration Policy for Directors.

**a) For Executive Directors**

The remuneration of the Whole Time/Executive Directors shall comprise of a fixed component and a performance linked pay, as may be fixed by the Nomination and Remuneration Committee (NRC) and subsequently approved by the Board of Directors and Members. Performance Linked Pay shall be payable based on the performance of the individual and the Company during the year. Remuneration trend in the industry and in the region, academic background, qualifications, experience and contribution of the individual are to be considered in fixing the remuneration. These Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees.

**b) For Non-Executive Directors**

The Non-Executive Directors will be paid sitting fees for attending the Board and Committee Meetings as per the stipulations in the Act, and the Articles of Association of the Company and as recommended by the NRC. In addition to this, the travel and other expenses incurred for attending the meetings are to be met by the Company. Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may, by special resolution, sanction and pay to the Directors remuneration not exceeding 1% of the net profits of the Company computed in accordance with the relevant provisions of the Act. The Company shall have no other pecuniary relationship or transactions with any Non-Executive Directors. The details of criteria of making payments to non-executive director are available in the website of the Company at [www.indowind.com](http://www.indowind.com)





## INDOWIND ENERGY LIMITED

ii. None of the Non-Executive Directors had any pecuniary relationship with the Company other than receipt of sitting fees.

### i. Details of remuneration paid to the Directors:

#### a) Executive Director

(Rs.In lakhs/p.a)

Description	Mr.K.S.Ravindranath (Whole Time Director)
Salary and Allowances	14.40
Others	9.60
<b>Total</b>	<b>24.00</b>

- In addition to the above, contribution to Provident and Superannuation Funds are made as per applicable law/rules/terms of employment.
- The performance linked pay is determined based on the performance.
- No Employee Stock Option has been offered by the Company to any of the directors.

#### b) Non Executive Director

During the year an aggregate amount of Rs.4,40,000 was paid to the Non-Executive Directors as Sitting Fees as stated below:

- Mr.Niranjan R Jagtap Rs.1,40,000
- Dr.K.R.Shyamsundar Rs.1,40,000
- Mr.Bala V Kutti Rs.80,000
- Ms. Alice Chhikara Rs.80,000

## 6. STAKE HOLDERS' GREIVANCES COMMITTEE

In line with the Companies Act 2013 & LODR Regulations 2015, this Committee has been constituted which comprises of the following members of the Board Committee. The details of the members at the meeting are as follows:

Name	Designation
Mr. Niranjan R.Jagtap	Chairman
Mr. K.S.Ravindranath	Member
Dr. K.R. Shyamsundar	Member

The stake holder relationship committee shall be responsible to look into redressal of the grievances of the security holders.

The Company has received 'Nil' complaint during this financial year ended 31<sup>st</sup> March 2019.

Ms. Harsha J is the Compliance Officer of the Company.



## 7. GENERAL BODY MEETINGS

### (a) Location and time of last three Annual General Meetings

Year	Location	Date	Time
2017-18	The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai- 600 014.	27.09.2018	4.00 P.M
2016-17	The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai- 600 014.	30.08.2017	3.00 P.M.
2015-16	Hotel The Accord Metropolitan 35, G.N.Chetty Road, T.Nagar, Chennai – 600 017	16.09.2016	4.00 P.M

### (b) Special Resolutions

The following special resolutions were passed in the previous three Annual General Meetings:

Date of AGM	Subject
27.09.2018	Re-appointment of Mr.K.S.Ravindranath,(DIN: 00848817) as Whole Time Director with remuneration.
	Alteration of Memorandum of Association and Articles of Association as per the provisions of the Companies Act, 2013 and rules there under.
30.08.2017	No Special Resolution was passed.
16.09.2016	Resolution under sec 149 and 152 read with Schedule IV of the companies Act 2013 for the appointment of Dr. K.R. Shyamsundar as an Independent Director of the Company.
	Resolution under sec 180(1) (c) and other applicable provisions of the Companies Act, 2013 for Increasing the Borrowing Powers of the Company.

### (c) Passing of Special Resolution by Postal Ballot

There was no resolution requiring approval through postal ballot during the year and for which no such resolution is being proposed to be passed.

## 8. MEANS OF COMMUNICATION

As stipulated under Regulation 47 of SEBI (Listing Obligation and Disclosures Requirements) Regulation 2015, 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 information stipulated under Regulation 46 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation 2015, is also available in the website of the Company.



## INDOWIND ENERGY LIMITED

### 9. GENERAL SHAREHOLDER INFORMATION:

#### a) 24<sup>th</sup> Annual General Meeting

Date	18 <sup>th</sup> September 2019
Time	4.00 PM
Venue	The Music Academy New No. 168 T.T.K. Road Royapettah, Chennai- 600 014.
Date of Book Closure	12.09.2019 to 18.09.2019 (both days Inclusive)
Registrar and Share Transfer Agent	M/s. Bigshare Services Pvt Ltd.

#### b) Financial year

The financial year of the Company commences on 1<sup>st</sup> April and ends on 31<sup>st</sup> March

Adoption of the Quarterly Results for the quarter ended is mentioned below:

Quarter ended	Date of adoption
30 <sup>th</sup> June 2018	13 <sup>th</sup> August 2018
30 <sup>th</sup> September 2018	08 <sup>th</sup> November 2018
31 <sup>st</sup> December 2018	12 <sup>th</sup> February 2019
31 <sup>st</sup> March 2019	30 <sup>th</sup> May 2019

#### c) Listing Details and Stock Code

Name and Address of Stock Exchanges	Stock Code
<b>BSE Limited,</b> Registered Office: Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	<b>532894</b>
<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 40 051.	<b>INDOWIND</b>

Listing fees upto 2019-20 have been paid to the aforesaid Stock exchanges.



## INDOWIND ENERGY LIMITED

### d) Market Price data

Month & Year	NSE				BSE			
	Share Price (Rs.)		Nifty 50		Share Price (Rs.)		Sensex	
	High	Low	High	Low	High	Low	High	Low
April 2018	9.3	7.25	10759	10111.30	9.21	7.25	35213.30	32972.56
May	7.45	5.35	10929.2	10417.80	7.6	5.71	35993.53	34302.89
June	6.9	5	10893.25	10550.90	7.1	5	35877.41	34784.68
July	5.3	3.65	11366	10604.65	5.3	3.65	37644.59	35106.57
August	5.75	4.45	11760.2	11234.95	5.81	4.5	38989.65	37128.99
September	5.35	4.25	11751.8	10850.30	5.49	4.37	38934.35	35985.63
October	5.2	3.85	11035.65	10004.55	5.33	3.85	36616.64	33291.58
November	6.85	4.6	10922.45	10341.90	6.79	4.6	36389.22	34303.38
December	7.15	5.6	10985.15	10333.85	7.25	5.55	36554.99	34426.29
January 2019	6.4	4.65	10987.45	10583.65	6.49	4.7	36701.03	35375.51
February	6.1	4	11118.1	10585.65	6.19	4.06	37172.18	35287.16
March	7	5.2	11630.35	10817.00	7.08	5.25	38748.54	35926.94

### e) Registrar and Share 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 complied with share transfer formalities regularly. The Address for correspondence is No.E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072. Phone: 022-40430200 Fax: 022-2847 5207. Email: bhagwan@bigshareonline.com

### f) Share Transfer System

Requests for share transfer, transmissions, transpositions etc., are processed by the RTA and returned within the stipulated time, if the documents are found to be in order. The routine requests from shareholders like transfer, transmission, transposition, change of name etc., are approved by the Managing Director / Whole Time Director (Works) / Company Secretary and the details are placed before the Stakeholders' Relationship Committee and the Board.

Pursuant to proviso to Regulation 40(1) of the Regulations, effective from 1<sup>st</sup> April 2019 transfer of securities other than transmission or transposition of names would not be processed by the Company in physical form.

**INDOWIND ENERGY LIMITED****g) Distribution of Shareholding as on 31.03.2019**

Shareholding of nominal		Holders		Shares	
From	To	Number of Shareholding	Percentage of Total	Share Amount Rs.	Percentage of Total
1	5000	23095	70.4846	36869580	4.1084
5001	10000	4086	12.4702	35202380	3.9226
10001	20000	2427	7.4071	38677050	4.3098
20001	30000	905	2.7620	23656900	2.6361
30001	40000	504	1.5382	18425820	2.0532
40001	50000	457	1.3947	21854520	2.4353
50001	100000	702	2.1425	53395480	5.9499
100001 and above		590	1.8006	669333130	74.5846
<b>Total</b>		<b>32766</b>	<b>100.00</b>	<b>897414860</b>	<b>100.00</b>

**Shareholding pattern of Directors as on 31.03.2019 is given below:**

Name of Director	No. of Shares held as on 31.3.2019	% of Paid-up Equity Share Capital
Mr. Bala V Kutti	54,37,495	6.06
Mr. K.S.Ravindranath	17,84,995	1.99
Mr. Niranjan R. Jagtap	NIL	NIL
Dr. K.R. Shyamsundar	NIL	NIL
Ms. Alice Chhikara	NIL	NIL
<b>Total</b>	<b>72,22,490</b>	<b>8.05</b>

**h) Dematerialization of Shares and Liquidity:**

The Shares of the Company are listed in BSE Limited and National Stock Exchanges of India Ltd, out of which 99.96% Shares are held in demat as on 31<sup>st</sup> March 2019 and the balance 0.04% are in physical form which belongs to general public. The Demat ISIN in NSDL and CDSL is INE227G01018.

**i) Outstanding FCCB:**

FCCB of 15Mn USD were to be converted into shares in December, 2012. Matter is pending due to legal proceedings before the High Court of Madras and NCLT/Chennai.

**j) Commodity price risk or foreign exchange risk and hedging activities:**

The Company has US \$ loan whose outstanding as per books as on 31<sup>st</sup> March, 2019 is \$11,737,631.74. The company has not hedged the said foreign currency loan.



## INDOWIND ENERGY LIMITED

### k) Location of site offices:

NETTUR	ARALVOIMOZHI	GADAG	CHITRADURGA
Kidararakulam, Alangulam, Tirunelveli Dist. Tamilnadu-627854	Subash Nagar, Kumarapuram Road, Kanyakumari Dist. Tamilnadu-629301	Adarsha Nagar, Plot No. 16, Gadag, Karnataka-562 103	Srinivas Complex, First Floor, B.P. Extension Area, Chitradurga-577501

### l) Address For Correspondence:

<b>Registered Office:</b> <b>INDOWIND ENERGY LIMITED</b> "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: harsha@indowind.com	<b>Branch Office</b> No. 603, Keshava Building, 6 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra East, Mumbai – 600 051  No. 85, KamarajarSalai, Madurai – 625 009.
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### m) Credit Ratings:

The Company has obtained credit rating from CRISIL during the financial year ending 31<sup>st</sup> March, 2019. CRISIL has assigned GRADE-1, which indicates 'Excellent ability to repay IREDA debt as per terms'.

### 10. Other Disclosures:

- i. There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions in the ordinary course of business with the related parties are disclosed in the Notes to Financial Statements.
- ii. There have been no instances of non-compliance by the Company on any matters related to the capital markets nor have any penalty/strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.
- iii. As stipulated under the Act and the Regulations a Vigil Mechanism / Whistle Blower Policy has been framed, the text of which has been uploaded in the website of the Company. No personnel has been denied access to the Audit Committee.
- iv. All the mandatory requirements of Corporate Governance under the Regulations have been complied with.
- v. The policy for determining material subsidiaries is disclosed in the website of the Company under the link <http://www.indowind.com/download/POLICY%20FOR%20DETERMINATION.pdf>
- vi. The policy on dealing with Related Party Transactions is disclosed in the website of the Company under the below link: <http://www.indowind.com/download/POLICY%20ON%20TRANSACTIONS.pdf>
- vii. The Company has received a certificate from R.Kannan, a Company Secretary in practice, stating that none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as directors of the companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.



## INDOWIND ENERGY LIMITED

- viii. The total fees paid to the statutory auditors is Rs.4,60,000 and Rs.41,000 for certification and there were no other payments to the Statutory Auditor or other entities in the network firm/network entity of which the statutory auditor is a part.
- ix. Disclosure in relation to the Sexual Harassment of Women at Work Place (Prevention Prohibition & Redressal) Act 2013: The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of The Sexual Harassment of Women at Workplace (Prevention Prohibition & Redressal) Act 2013. As per the Act, Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is summary of sexual harassment complaints received, disposed and pending during the year 2018-19. No. of complaints received during the financial year is one. No. of complaints disposed of during the financial year is one. No. of complaints pending during the financial year is Nil.
11. All the requirements of corporate governance report specified in Sub-paras (2) to (10) of Para C of Schedule V to the Regulations have been complied with.
12. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II of SEBI(LODR) Regulations, 2015 are as follows:
- A non-executive chairperson is allowed reimbursement of expenses incurred in the performance of his duties
  - There are modified opinions on the financial statements and the Company is trying to have a regime of unmodified audit opinions.
  - The Company has appointed an Internal Auditor who carries out the audit and the report is presented to the Audit Committee for review and further directions.
13. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) (b) to (i) of the Regulations.
14. A Management Discussion and Analysis Report has been presented as part of the Directors' Report.

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

**Bala V Kutti**  
Chairman

Place: Chennai - 600 034  
Date: 30<sup>th</sup> May, 2019.

### DECLARATION

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.

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

**Bala V Kutti**  
Chairman

Place: Chennai  
Date: 30<sup>th</sup> May, 2019.



**INDOWIND ENERGY LIMITED**

## **Certificate on 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 2019**, as stipulated in Schedule V of SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015 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 Schedule V of SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015.

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 **Sanjiv Shah & Associates**  
**Chartered Accountants**  
Firm Registration No. 003572S

Place: Chennai.  
Date: 30<sup>th</sup> May, 2019

**CA G Ramakrishnan**  
Partner  
Membership No. : 209035





**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF  
INDOWIND ENERGY LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Qualified Opinion**

We have audited the standalone financial statements of Indowind Energy Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2019, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- i) We draw attention regarding impact on the Profit for the year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of rephasing due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @LIBOR(6M)+400 Bps for \$ 10 million and LIBOR(6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31, 2019 would have been lower by Rs.573.18 lakhs.
- ii) The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408:2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding, Interest overdue and liquidated damages as on December 31, 2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which



the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.

- iii) The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest rate payable @ 16% pa with monthly rests as against the earlier rate of interest @LIBOR(6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honourable High Court of Bombay.
- iv) Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of Rs.365.35 lakhs on February 22,2019 against the interest overdue. However, the company has reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.
- v) We refer to Note No.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case.
- vi) We refer to Note No. 8 to the financial statements in respect of other non-current assets of Rs.1002 lakhs relating to 2.50 MW consisting of 7 Machines which are not in working condition. Hence provision is required. However, the management is hopeful of repowering these machineries in working condition.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Emphasis of Matters:**

We draw attention to Note 16 to the financial statements, wherein the company is the defendant in a legal case filed by the Trustees of the Foreign Currency Bond Holders (FCCB) for liquidation before the High court of Madras. The impact of the matter cannot be ascertained at this stage

**Our report is not modified in respect of this matter.****Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

<b>Key Audit Matters</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.</p> <p>Refer Note.39 to the standalone financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"><li>● Obtained understanding of key uncertain tax positions; and</li><li>● We along with our internal tax experts -</li></ul> <ul style="list-style-type: none"><li>➤ Read and analysed select key correspondences, consultations by management for key uncertain tax positions;</li><li>➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li><li>➤ Assessed management's estimate of the possible outcome of the disputed cases.</li></ul>
<p><b>Recoverability of Indirect tax receivables</b></p> <p>As at March 31,2019, other non-current financial assets in respect of Cenvat recoverable amounting to Rs.13.17 lakhs which are pending adjudication.</p> <p>Refer Note.7 to the Standalone financial statements.</p>	<p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p>

**Other Information**

The Company's management and Board of directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.



Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due



to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.



## INDOWIND ENERGY LIMITED

- 2) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 3) As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 39 to the financial statements.
    - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Sanjiv Shah and Associates**  
**Chartered Accountants**  
**Firm Regn.No-003572S**

**CA G Ramakrishnan**  
**Partner**  
**M. No.209035**

Place: Chennai  
Date: 30-05-2019



**Annexure A to Independent Auditors' Report**

**The Annexure referred to in Independent Auditors' Report to the members of company on the standalone IndAS financial statements for the year ended March 31, 2019, we report that:**

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- b. The Company has a regular programme of physical verification of its property, plant & equipment under which property, plant & equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant & equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- c. According to there in formation and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information and explanation given to us, the physical verification of the inventory has been conducted at the reasonable intervals by the management and there have been no material discrepancies noticed during such verification.
- iii. According to the information and explanation given to us, the Company has not granted any loans to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').Accordingly, the provisions of Clause 3(iii)(a),(b) and (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of deposits) Rules,2015 with regard to the deposits accepted from the public are not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of accounting in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods and Service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.



## INDOWIND ENERGY LIMITED

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income-tax, Goods and Service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2019 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 are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods or service tax which have not been deposited on account of any dispute, except for the following:

S.No.	Particulars	Amount (Rs.) in lakhs	Period to which the amount relates	Forum where dispute is pending
01.	Income Tax Act	27.00	A.Y. 1998 – 1999	First appellate authority –Commissioner of income tax appeals
02.	Income Tax Act	75.11	A.Y. 2004 – 2005	Third appellate authority – High Court of Madras
03.	Income Tax Act	22.39	A.Y. 2005 – 2006	Third appellate authority – High Court of Madras
04.	Service Tax	218.00	F.Y. 2005 – 2006, 2006 – 2007, 2007 – 2008, 2008 – 2009, 2009 – 2010	Central Excise and Service Tax Appellate Tribunal [CESTAT]
05.	Income Tax Act	310.89* (Tax effect-NIL)	AY 2013-14	Second appellate authority –Income Tax Appellate tribunal
06.	Income Tax Act	617.50** (Tax Effect-NIL)	AY 2014-15	First appellate authority –Commissioner of income tax appeals

\* Additions amount made in the assessment

\*\*Depreciation amount disallowed

- viii. In our Opinion and according to the information and explanations given to us, the details of defaults as claimed by the EXIM bank in the repayment of borrowings as at 31st March, 2019 are given below.





## INDOWIND ENERGY LIMITED

Particulars	Amount of default as at the balance sheet date as claimed by the EXIM bank	Period of default as claimed by the EXIM bank	Remarks
Exim Bank	83,71,45,662 crores(INR) On account of recall by bank vide letter dated reference No: EXIM: ChRO: 408:2018-19 dt: Jan 23,2019	June 2018 to March 2019	<p>As claimed by the company the entire income from the project funded by the bank is remitted towards the loan account as per TRA. The company has also filed an application vide suit No.COMSL 118/2019 before the Honourable High Court of Bombay with prayers which include release of balance undisbursed sanctioned loan amount of USD 12.3 million, to declare the bank letter dated 19.11.2018 categorizing the plaintiff loan account as NPA as illegal and bad in law, to direct that the terms relating to repayment of part disbursal amounting to USD 12.7 million contained in the loan agreement dated 18.01.2011 are to be restructured /rescheduled/brought in line with receivables being credited in the TRA account created under TRA dated 15.10.2013, to restrain the bank by an Order from recalling the loan and proceeding pursuant to bank's letter dated 19.11.2018 and 23.01.2019.</p> <p>The matter being sub-judice we are unable to offer any comments.</p>

The company has not availed any loans/borrowings from financial institutions, government and has not issued any debentures during the year.



## **INDOWIND ENERGY LIMITED**

- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered in to non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv)of the Order is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act1934.

**For Sanjiv Shah and Associates**  
**Chartered Accountants**  
Firm Registration No.003572S

**CA G Ramakrishnan**  
Partner  
Membership No.:209035

Place: Chennai.  
Date: 30<sup>th</sup> May 2019



**Annexure B to Independent Auditors Report for Indowind Energy Limited**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Indowind Energy Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI).

**For Sanjiv Shah and Associates**  
**Chartered Accountants**  
Firm Registration No.003572S

**CA G Ramakrishnan**  
Partner  
Membership No. : 209035

**Place: Chennai.**  
**Date: 30<sup>th</sup> May, 2019**

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Standalone Balance Sheet as at 31 March, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March, 2019	As at 31 March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	25,162.23	24,724.17
Intangible assets	4	-	-
Capital work in progress	5	495.97	690.63
Financial assets			
Investments	6	1,110.05	1,110.05
Other financial assets	7	343.13	431.57
Other non-current assets	8	1,755.27	2,637.80
<b>Total non-current assets</b>		<b>28,866.64</b>	<b>29,594.23</b>
<b>Current assets</b>			
Inventories	9	1.32	14.17
Financial assets			
Trade receivables	10	502.46	658.64
Cash and cash equivalents	11	37.20	58.63
Bank balances other than above	12	642.16	635.95
Other current assets	13	104.98	36.53
<b>Total current assets</b>		<b>1,288.12</b>	<b>1,403.92</b>
<b>Total Assets</b>		<b>30,154.77</b>	<b>30,998.15</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	8,974.15	8,974.15
Other equity	15	10,985.46	12,211.69
<b>Total equity</b>		<b>19,959.61</b>	<b>21,185.84</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16	9,216.90	9,053.80
Deferred Tax Liabilities (net)	17	-	(265.90)
<b>Total non-current liabilities</b>		<b>9,216.90</b>	<b>8,787.90</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	18	56.05	103.90
Other current liabilities	19	922.21	920.50
<b>Total current liabilities</b>		<b>978.26</b>	<b>1,024.41</b>
<b>Total liabilities</b>		<b>10,195.16</b>	<b>9,812.31</b>
<b>Total Equity and Liabilities</b>		<b>30,154.77</b>	<b>30,998.15</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**

Chairman

DIN - 00765036

**RAVINDRANATH K S**

Director

DIN - 00848817

**NIRANJAN R JAGTAP**

Director

DIN - 01237606

**HARSHA J**

Company Secretary

**K R SHYAMSUNDAR**

Director

DIN - 03560150

**HARI BABU NK**

Chief Financial Officer



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

### Standalone Statement of Profit and Loss for the year ended 31 March, 2019 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Continuing Operations</b>			
<b>A Income</b>			
Revenue from operations	20	2,055.69	2,423.62
Other income	21	57.17	671.39
<b>Total income</b>		<b>2,112.87</b>	<b>3,095.01</b>
<b>B Expenses</b>			
Cost of materials consumed	22	557.66	542.18
Changes in inventories of finished goods	23	12.85	128.81
Employee Benefits Expense	24	227.83	222.82
Finance costs	25	699.84	766.42
Depreciation and amortisation expense	26	931.84	949.99
Other expenses	27	643.20	461.38
<b>Total expenses</b>		<b>3,073.22</b>	<b>3,071.59</b>
<b>C Profit before exceptional items and tax</b>			
Exceptional items	28	(960.35)	23.41
		-	(2,389.89)
<b>D Profit before tax from continuing operations</b>			
Income tax expense	29	(960.35)	(2,366.48)
Current tax		-	-
Deferred tax charge/ (credit)		265.90	(265.89)
<b>Profit for the year</b>		<b>(1,226.25)</b>	<b>(2,100.59)</b>
<b>E Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(1,226.25)</b>	<b>(2,100.59)</b>
<b>Earnings per share</b>			
	30		
Basic earnings per share		(1.37)	(2.34)
Diluted earnings per share		(1.37)	(2.34)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**    **RAVINDRANATH K S**    **NIRANJAN R JAGTAP**

Chairman  
DIN - 00765036

Director  
DIN - 00848817

Director  
DIN - 01237606

**HARSHA J**  
Company Secretary

**K R SHYAMSUNDAR**  
Director  
DIN - 03560150

**HARI BABU NK**  
Chief Financial Officer

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

**Statement of cash flows for the year ended March 31, 2019**  
**(All amounts are in lakhs of Indian Rupees, unless otherwise stated)**

<b>Particulars</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
<b>Cash Flow From Operating Activities</b>		
Profit before income tax	(960.35)	(2,366.48)
Adjustments for		
Depreciation and amortisation expense	976.15	949.99
(Profit)/ Loss on sale of fixed asset	-	-
Interest received	(39.15)	(192.83)
Finance costs	699.84	766.42
	<b>676.48</b>	<b>(842.90)</b>
Change in operating assets and liabilities		
(Increase)/ decrease in loans	-	-
(Increase)/ decrease in other financial assets	(90.21)	463.20
(Increase)/ decrease in inventories	(12.85)	128.81
(Increase)/ decrease in trade receivables	(156.18)	346.17
(Increase)/ decrease in other assets	68.44	62.18
Increase/ (decrease) in provisions and other liabilities	(1.70)	549.29
Increase/ (decrease) in trade payables	47.85	46.37
Cash generated from operations	531.83	753.14
Less : Income taxes paid (net of refunds)	-	(2.55)
<b>Net cash from operating activities (A)</b>	<b>531.83</b>	<b>750.59</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	169.48	517.10
Sale proceeds of PPE (including changes in CWIP)	-	180.73
(Purchase)/ disposal proceeds of Investments	-	(33.59)
(Investments in)/ Maturity of fixed deposits with banks	(26.49)	123.47
Interest income	39.15	192.83
<b>Net cash used in investing activities (B)</b>	<b>182.14</b>	<b>980.54</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from/ (repayment of) long term borrowings	(163.10)	(946.26)
Finance costs	(572.30)	(876.91)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(735.41)</b>	<b>(1,823.17)</b>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

**Statement of cash flows for the year ended March 31, 2019**  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

<b>Particulars</b>	<b>For the year ended 31 March, 2018</b>	<b>For the year ended 31 March, 2017</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	(21.43)	(92.05 )
Cash and cash equivalents at the beginning of the financial year	58.63	150.68
Cash and cash equivalents at end of the year	37.20	58.63

**Notes:**

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks

- in current accounts

34.41

39.95

- in EEFC Account

-

-

- in Treasury bank savings accounts

-

-

Cash on hand

2.79

18.69

**37.20****58.63**

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**

Chairman

DIN - 00765036

**RAVINDRANATH K S**

Director

DIN - 00848817

**NIRANJAN R JAGTAP**

Director

DIN - 01237606

**HARSHA J**

Company Secretary

**K R SHYAMSUNDAR**

Director

DIN - 03560150

**HARI BABU NK**

Chief Financial Officer





## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

### Statement of change in equity for the year ended March 31, 2019 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#### (A) Equity Share Capital

Balance at the beginning of April 1, 2017	8,974.15
Changes in equity share capital during the year	-
Balance at the end of March 31, 2018	8,974.15
Changes in equity share capital during the year	-
Balance at the end of March 31, 2019	8,974.15

#### (B) Other Equity

Particulars	General Reserve	Capital Reserve	Other comprehensive income	Retained Earnings	Securities Premium	FCCB Equity Portion	Total
<b>Balance as at April 1, 2017</b>	779.86	190.90	-	-	7,125.64	6,215.90	14,312.30
Additions/ (deductions) during the year	(2,100.59)	-	-	-	-	-	(2,100.59)
Total Comprehensive Income for the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>(1,320.73)</b>	<b>190.90</b>	<b>-</b>	<b>-</b>	<b>7,125.64</b>	<b>6,215.90</b>	<b>12,211.71</b>
Additions/ (deductions) during the year	(1,226.25)	-	-	-	-	-	(1,226.25)
Total Comprehensive Income for the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>(2,546.98)</b>	<b>190.90</b>	<b>-</b>	<b>-</b>	<b>7,125.64</b>	<b>6,215.90</b>	<b>10,985.46</b>

The accompanying notes form an integral part of the financial statement

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**      **RAVINDRANATH K S**      **NIRANJAN R JAGTAP**  
Chairman                      Director                      Director

DIN - 00765036              DIN - 00848817              DIN - 01237606

**HARSHA J**  
Company Secretary

**K R SHYAMSUNDAR**  
Director

**HARI BABU NK**  
Chief Financial Officer

DIN - 03560150



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019

### 1 Corporate Information

The Company was incorporated on July 19, 1995 as a private limited company and was converted into a deemed public limited company effective September 30, 1997 and later in September 14, 2007 it listed its shares in BSE & NSE. The Registered office is situated at Kothari building, 4<sup>th</sup> Floor, No.114, Mahatama Gandhi Salai, Nungambakkam, Chennai - 600 034. The Company is engaged in the business of generation and distribution of power through windmills.

### 2 Basis of preparation of financial statements

#### Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods..

#### Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2019.

### 3 Significant Accounting Policies

a) Current versus non-current classification



The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 1 month as its operating cycle.

## **b) Revenue Recognition**

### **Sale of Power**

Sale of power is recognised at the point of generation of power from the plant and stock points. Wherever the company enters into power sharing agreement, income is recognised net of power share.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

### **Interest Income**

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows



by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**Other income**

Dividend income is recognized when received dividend is established by the reporting date. Income from sale of CER(Carbon Credits) is accounted for based on eligibility criteria.

**c) Property, plant and equipment and capital work in progress**

**Deemed cost option for first time adopter of Ind AS**

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost less accumulated depreciation. The Company has elected to consider the previous GAAP carrying amount of the Plant and Equipment as the deemed cost as at the date of transition, viz., 1 April 2016. However, in the case of Lands we have adopted Mark to Market Value

**Presentation**

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Revenue expenses and revenue receipts incurred in connection with project implementation in so far as such expense relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalised.

**Component Cost**

All material/ significant components have been identified for the plant and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.



Machinery spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

**Derecognition**

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**d) Depreciation on property, plant and equipment**

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold. Additions to fixed assets, costing Rs. 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Inventories**

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method. In respect of work in progress and finished goods, the applicable overheads are included in the valuation.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) Foreign currency transactions and translations**

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for



recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**g) Borrowing Costs**

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.



**h) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.



Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**i) Retirement and other employee benefits**

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

**Defined contribution plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and super annuation fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Defined benefit plans**

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**Compensated absences**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has





accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

**Other long term employee benefits**

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date. Liability for un-availed leave considered to be long-term is carried based on an actuarial valuation carried out at the end of each financial year.

**j) Provisions, contingent liabilities and contingent asset**

**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made if realisation of money is doubtful in the judgement of the management.

**Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

**Contingent assets**

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial statements.



**k) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

**l) Cash Flow Statement**

Cash flows are presented using indirect method, whereby profit / (loss) before 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.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

**m) Earnings per share**

The basic earnings per share are computed by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

### 4 Property, plant and equipment Notes to financial Statements for year ended March 31, 2019

Particulars	Tangible Assets : All amounts are in lakhs of Indian Rupees unless otherwise stated																	
	Freehold Land		Leasehold Land		Buildings		Plant and Equipment		Vehicles		Office Equipment		Agricultural Plants		Capital Advance		Total	
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.	
Cost as at April 1, 2017	3,277.86		151.20		43.96		18,642.17		51.02		74.29		44.31		3,916.25		26,201.06	
Additions	17.05		-		-		533.99		0.61		3.15		-		1,659.74		2,214.54	
Disposals	(180.73)		-		-		-		-		-		-		(170.82)		(351.55)	
Cost as at March 31, 2018	3,114.18		151.20		43.96		19,176.16		51.63		77.44		44.31		5,405.17		28,064.05	
Additions	-		-		-		-		-		2.11		(44.31)		1,445.22		1,447.34	
Disposals	-		-		-		-		-		-		-		(33.14)		(77.45)	
Cost as at March 31, 2019	3,114.18		151.20		43.96		19,176.16		51.63		79.55		-		6,817.26		29,433.94	
Depreciation/Amortisation	-		-		-		-		-		-		-		-		-	
Charge for the year	-		7.20		4.01		927.07		7.50		4.21		-		-		949.99	
Disposals	-		-		-		2,389.89		-		-		-		-		2,389.89	
As at March 31, 2018	-		7.20		4.01		3,316.96		7.50		4.21		-		-		3,339.88	
Charge for the year	-		7.20		3.99		909.85		7.54		3.25		-		-		931.44	
Disposals	-		-		-		-		-		-		-		-		-	
As at March 31, 2019	-		14.40		8.00		4,226.8		15.04		7.46		-		-		4,271.72	
Net Block	3,114.18		144.00		39.95		15,859.20		44.13		73.23		44.31		5,405.17		24,724.17	
As at March 31, 2019	3,114.18		136.80		35.96		14,949.35		36.59		72.09		-		6,817.26		25,162.23	

Capital Advances	Details of Capital Advances		
	Opening	Additions	Deletions
Bekae properties pvt ltd	99,735,126	2,500,000	102,235,126
6 Mw Project - Ind eco ventures ltd	190,760,684	211,468,253	3,313,704
Indus finance ltd	90,120,323	2,500,000	92,620,323
Suzlon Claim	159,901,181	122,909,603	282,810,784
	<b>540,517,314</b>	<b>339,377,856</b>	<b>198,169,153</b>
			<b>681,726,017</b>



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>5 Capital Work-in-progress</b>		
Capital Work-in-progress	495.97	690.63
	<b>495.97</b>	<b>690.63</b>
<b>6 Non-current investments</b>		
<b>Trade - Unquoted</b>		
Indowind Power Private Limited		
682600 (previous year : 682600 fully paid equity shares of ₹10/-)	68.26	68.26
Revati Commercial Private Limited		
2400000 (previous year : 2400000 fully paid equity shares of ₹10/-)	240.00	240.00
The Jain Sahakari Bank Limited		
[4247 (Previous year : 4247 fully paid equity shares of ₹10/-)]	4.14	4.14
<b>Other Non-current Investments - at FVTPL</b>	797.66	797.66
Keyman Insurance Policy	<b>1,110.05</b>	<b>1,110.05</b>
<b>Total non-current investments</b>		
Aggregate cost of unquoted investments	312.39	312.39
<b>7 Other non-current financial assets</b> (Unsecured, considered good)		
Security deposits	216.99	211.54
Balances with government authorities	37.94	34.95
Others	-	70.62
Unamortised interest expense	88.20	114.46
	<b>343.13</b>	<b>431.57</b>
<b>8 Other non-current assets</b> (Unsecured, considered good)		
Capital Expenditure Advance	-	632.48
Capital advances / Guarantee Deposits		
Capital advances with		
Others	96.62	97.28
Related Parties	-	369.97
Other non current assets with		
Others	116.13	598.09
Related Parties	1,542.52	939.98
	<b>1,755.27</b>	<b>2,637.80</b>
<b>9 Inventories</b>		
Energy Stock	1.32	14.17
	<b>1.32</b>	<b>14.17</b>



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>10 Trade receivables</b>		
(unsecured, considered good)		
Outstanding for a period exceeding six months from due date of payment	427.42	359.72
Other debts	75.04	298.92
	<b>502.46</b>	<b>658.64</b>
<b>11 Cash and cash equivalents</b>		
Cash on hand	2.79	18.69
Cheque and Demand on Hand	-	-
Balances with banks		
In current accounts	34.41	39.95
	<b>37.20</b>	<b>58.63</b>
<b>12 Other Bank Balances</b>		
In fixed deposits		
In margin money deposit with banks *		
More than 3 months but less than 12 months		
In Deposit Accounts		
Unpaid Dividend Account		
Earmarked Deposits*	642.16	635.95
Others		
	<b>642.16</b>	<b>635.95</b>
* lien marked against outstanding letters of credit		
<b>13 Other current assets</b>		
(Unsecured, considered good)		
Advances to employees	11.03	19.42
Pre-paid Expenses	17.30	17.13
Others	76.65	-
Miscellaneous expenses to be written off	-	(0.01)
	<b>104.98</b>	<b>36.53</b>
<b>14 Capital</b>		
<b>Authorised Share Capital</b>		
100,000,000 Equity shares of Rs. 10 each	10,000.00	10,000.00
	<b>10,000.00</b>	<b>10,000.00</b>

**INDOWIND ENERGY LIMITED**

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>Issued Share Capital</b>		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	<b>8,974.15</b>	<b>8,974.15</b>
<b>Subscribed and fully paid up share capital</b>		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	<b>8,974.15</b>	<b>8,974.15</b>

**Notes:****(a) Reconciliation of number of equity shares subscribed**

Balance as at the beginning of the year	89,741,486	89,741,486
Add: Issued during the year		
<b>Balance at the end of the year</b>	<b>89,741,486</b>	<b>89,741,486</b>

**(b) Shares issued for consideration other than cash**

There are no shares which have been issued for consideration other than cash during the last 5 years.

**(c) Shareholders holding more than 5% of the total share capital**

Name of the share holder	March 31, 2019		March 31, 2018	
	No of shares	%	No of shares	%
Bala KV	5,437,495	6.06%	5,437,495	6.06%
Loyal Credit and Investments Ltd	8,125,448	9.05%	8,125,448	9.05%
Indus Finance Ltd	6,421,765	7.16%	6,421,765	7.16%
Soura Capital Pvt. Ltd	19,170,320	21.36%	18,157,751	20.23%

**(d) Rights, preferences and restrictions in respect of equity shares issued by the Company**

The company has only one class of equity shares having a par value of Rs.10 each. The equity shares of the company having par value of Rs.10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

**15 Other Equity**

General reserve	(2,546.98)	(1,320.73)
Other comprehensive income	-	-
Retained earnings	-	-
Securities Premium Reserve	7,125.64	7,125.64
Capital Reserve	190.90	190.90
FCCB Equity Portion	6,215.90	6,215.90
	<b>10,985.45</b>	<b>12,211.71</b>



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>a) General reserve</b>		
Balance at the beginning of the year	(1,320.73)	779.86
Additions/ (deductions) during the year	(1,226.25)	(2,100.59)
Balance at the end of the year	<u>(2,546.98)</u>	<u>(1,320.73)</u>
<b>b) Other comprehensive income</b>		
Balance at the beginning of the year	-	-
Other comprehensive income for the period	-	-
Deductions/Adjustments during the year	-	-
Balance at the end of the year	-	-
<b>c) Retained earnings</b>		
Balance at the beginning of the year	-	-
Net profit for the period	-	(2,100.59)
Transfers to General Reserve	-	2,100.59
Ind AS adjustments	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>
<b>d) Securities Premium Reserve</b>		
Balance as at beginning and end of the year	7,125.64	7,125.64
<b>e) Capital Reserve</b>		
Balance as at beginning and end of the year	190.90	190.90
<b>f) FCCB - Equity Portion</b>		
Balance at the beginning of the year	6,215.90	6,215.90
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Balance at the end of the year	<u>6,215.90</u>	<u>6,215.90</u>
<b>16 Long Term Borrowings</b>		
From Banks	8,163.63	7,749.73
From Other Financial Institutions	1,955.77	2,206.57
	<u>10,119.40</u>	<u>9,956.30</u>
Less: Current Maturities	902.50	902.50
	<u>9,216.90</u>	<u>9,053.80</u>



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>17 Deferred Tax Liability/ (Asset) - Net</b>		
<b>Deferred Tax Liability</b>	-	-
On depreciation	-	-
Tax effect on items constituting deferred tax asset	-	-
Prior period adjustment	-	-
Others	-	2.87
Gross Deferred tax liability	-	<u>2.87</u>
<b>Deferred Tax Asset</b>		
Carried Forward Losses	-	-
Others	265.90	268.77
On expenditure allowed for tax on accrual basis	-	-
Others	-	-
On carry forward losses on unabsorbed depreciation	-	-
Gross Deferred tax asset	<u>265.90</u>	<u>268.77</u>
Net deferred tax liability/ (asset)	-	(265.90)
MAT credit entitlement	-	-
	-	<u>(265.90)</u>
<b>18 Trade payables</b>		
Trade payables **	56.05	103.90
	<u>56.05</u>	<u>103.90</u>

\*\* 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 represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date. Please refer note 38.

<b>19 Other current liabilities</b>		
Current maturities of long term debt		
From Banks	639.34	639.34
From Others	263.16	263.16
Advance from Customers	-	-
Employee Payables	14.08	12.83
Statutory Dues Payable	-	-
Payables on purchase of fixed assets	-	-
Statutory Dues Payable	5.62	5.18
Interest accrued but not due	-	-
	<u>922.21</u>	<u>920.50</u>





## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>20 Revenue from operations</b>		
Sale of Products		
Electricity	2,055.69	2,423.62
	<u>2,055.69</u>	<u>2,423.62</u>
<b>21 Other income</b>		
Interest Income	-	
Interest from Banks on Deposits	39.15	29.98
Interest Income - Associates	-	147.51
Interest Income - Others	-	15.35
Dividend Income	0.13	0.13
Other Non Operating Income		
Keyman Insurance Bonus	-	31.00
Others	17.89	447.44
	<u>57.17</u>	<u>671.39</u>
<b>22 Cost of materials consumed</b>		
Direct Cost incurred at Power Generation Site	557.66	542.18
	<u>557.66</u>	<u>542.18</u>
<b>23 Changes in inventories of work-in-progress, stock in trade and finished goods</b>		
<b>Opening Balance</b>		
Work in Progress	-	-
Energy Stock	14.17	142.98
	<u>14.17</u>	<u>142.98</u>
<b>Closing Balance</b>		
Work in Progress		
Energy Stock	1.32	14.17
	<u>1.32</u>	<u>14.17</u>
<b>Total changes in inventories</b>	<u>(12.85)</u>	<u>(128.81)</u>
<b>24 Employee benefits expense</b>		
Salaries and wages	194.76	189.98
Contribution to Provident and other funds	14.44	14.43
Staff Welfare Expenses	8.61	7.07
Employee Medclaim Expenses	10.03	11.33
	<u>227.83</u>	<u>222.82</u>



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>25 Finance Cost</b>		
Interest Expenses		
On Borrowings	699.84	766.42
	<b>699.84</b>	<b>766.42</b>
<b>26 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	931.84	949.99
	<b>931.84</b>	<b>949.99</b>
<b>27 Other expenses</b>		
Advertisement	1.73	2.01
AGM/EGM Expenses	12.63	18.81
Bank Charges	0.24	0.31
Books and periodicals	0.15	0.21
Business Promotion	4.19	14.41
Communication	3.15	4.41
Insurance	-	5.03
Legal and Professional	98.01	125.63
Miscellaneous Expenses	1.15	137.50
Payments to auditors	4.25	5.37
Power and Fuel	7.20	9.87
Printing and Stationery	3.74	4.11
Rates and taxes	31.06	31.68
Repairs and Maintenance -Buildings	23.10	20.42
Repairs and Maintenance -Vehicles	3.84	2.88
Rupee Fluctuation Loss	337.24	19.83
Sitting fees	5.19	5.74
Prior Period Expenses	58.73	-
Travelling and Conveyance	47.61	53.18
	<b>643.20</b>	<b>461.38</b>
<b>Payment to auditors</b>		
Statutory Audit Fees	3.90	3.90
tax Audit Fees	-	0.50
For Taxation Matters	-	0.50
For Certification / Representation Matters	0.35	0.47
	<b>4.25</b>	<b>5.37</b>
<b>28 Exceptional items</b>		
Impairment of Plant & Machinery	-	2,389.89
	<b>-</b>	<b>2,389.89</b>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>29 Income tax expense</b>		
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits	-	-
<b>Total current tax expense</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Opening Balance	265.90	(265.89)
Deferred tax adjustments		
<b>Total deferred tax expense/(benefit)</b>	<u>265.90</u>	<u>(265.89)</u>
<b>Income tax expense</b>	<u>265.90</u>	<u>(265.89)</u>
<b>b) The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax from continuing operations	(960.35)	23.41
Income tax expense calculated at 30.9% (2018-19: 30.9%)	-	7.23
Tax Rate Changes (30.9%-30.9%) *	-	-
Effect of expenses that are not deductible in determining taxable profit	-	(7.23)
<b>Income tax expense</b>	<u>-</u>	<u>-</u>

The Impact is due to the difference in tax rate adopted for the current year deferred tax and previous year deferred tax

**c) Income tax recognised in other comprehensive income****Deferred tax**

Remeasurement of defined benefit obligation

-

**Total income tax recognised in other comprehensive income**

-

**d) Movement of deferred tax expense during the year ended March 31, 2019**

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	
Expenses allowable on payment basis under the Income Tax Act	-			-
Remeasurement of financial instruments under Ind AS	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-			
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)**e) Movement of deferred tax expense during the year ended March 31, 2019**

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	-
Expenses allowable on payment basis under the Income Tax Act	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-	-	-	-
<b>Total</b>	-	-	-	-

	For the year ended March 31, 2019	For the year ended March 31, 2018
--	--------------------------------------	--------------------------------------

**30 Earnings per share**

Profit for the year attributable to owners of the Company	(1,226.25)	(2,100.59)
Weighted average number of ordinary shares outstanding	89,741,486	89,741,486
Basic earnings per share (Rs)	(1.37)	(2.34)
Diluted earnings per share (Rs)	(1.37)	(2.34)

**31 Expenditure in foreign currency**

Interest payment & Principal Repayment against EXIM Bank Borrowing	347.55	778.35
Services Charges	1.42	-
	<b>348.98</b>	<b>778.35</b>

**32 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under**

- The principal amount remaining unpaid at the end of the year
- The delayed payments of principal amount paid beyond the appointed date during the year
- Interest actually paid under Section 16 of MSMED Act
- Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms
- Total interest accrued during the year and remaining unpaid

\*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**INDOWIND ENERGY LIMITED**

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**33 Commitments and contingent liability**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Contingent Liability</b>		
Statutory	342.50	388.90
Claim bank	222.00	-
Project Customers	1,066.15	928.16
	<b>1,630.65</b>	<b>1,317.06</b>
<b>Contingent Asset</b>		
Claims On Banks	1,303.55	1,361.00
Claims On Utilities	730.05	651.00
Claims On Vendors	3,984.00	2,950.00
Claims for non delivery by vendors	785.00	785.00
	<b>6,802.60</b>	<b>5,747.00</b>
<b>Excess of Contingent Asset over Contigent Liability</b>	<b>5,171.95</b>	<b>4,429.94</b>

**34. Operating lease arrangements**

The company has entered into operating lease arrangements for certain facilities. The leases re cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties. Lease payments recognised in the Statement of Profit and Loss is Rs. 7.20 Lakhs (Previous year Rs. 7.20 Laks)

**35. Details of Long Term Borrowings**

	March 31, 2019			March 31, 2018		
	Non Current	Current maturities	Total	Non Current	Current maturities	Total
Banks	7,524.29	636.34	8,163.63	7,110.39	639.34	7,749.73
NBFC/FIs	1,692.61	263.16	1,955.77	1,943.41	263.16	2,206.57

**Details of terms of repayment for the other long term borrowings and security provided in respect of the secured other long term borrowings****1. Term loan from banks: Export Import Bank of India**

The bank has released only USD 12.701 Mn as against total sanction limit of USD 25 Mn. 8 Mw Project assets are pledged against the part release. Loyal Credit and Investments Limited who have pledged 40 Lakhs shares of Indowind Energy Limited for enabling release of entire sanctioned amount has filed claim for release of shares. Company is negotiating for release of balance of funds.

**2. Term loans from other parties****i) Indian Renewable Energy Development Agency Limited**

Secured against 6 WEGs of 1.5 Mw each situated in the state of Karnataka

**INDOWIND ENERGY LIMITED**

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)**ii) LIC of India**

Secured against the key man policy and repayable on maturity / surrender of Policy

**36 Financial Instruments****Capital management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

<b>Gearing Ratio:</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Debt	10,139.10	9,974.30
Less: Cash and bank balances	679.36	694.58
Net debt	<u>9,459.74</u>	<u>9,279.72</u>
Total equity	19,959.61	21,185.84
Net debt to equity ratio (%)	47.39%	43.80%

<b>Categories of Financial Instruments</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Financial assets</b>		
<b>a. Measured at amortised cost</b>		
Loans Given	-	-
Other non-current financial assets	343.13	431.57
Trade receivables	502.46	658.64
Cash and cash equivalents	37.20	58.63
Bank balances other than above	642.16	635.95
Other financial assets	-	-
<b>b. Mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Investments	1,110.05	1,110.05
<b>Financial liabilities</b>		
<b>a. Measured at amortised cost</b>		
Borrowings (short term)	-	-
Trade payables	56.05	103.90
<b>b. Mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative instruments	-	-



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments and forward contracts to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes..

### Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

### Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

### As on March 31, 2019 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	117.38	-	117.38	-	-	-	(117.38)
EUR	-	-	-	-	-	-	-
In INR	-	-	-	-	-	-	-



# INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As on March 31, 2018 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	119.15	-	119.15	-	-	-	(119.15)
EUR	-	-	-	-	-	-	-
in INR	-	-	-	-	-	-	-

### Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

### Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by INR 24.95 Lakhs for the year (Previous INR 25.89 Lakhs)





## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### **Credit risk management**

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

#### **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

##### **(a) Trade Receivables**

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank deposits  
Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

#### **Offsetting related disclosures**

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

#### **Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

#### **Liquidity tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay..



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

<b>March 31, 2019</b>	<b>Due in 1<sup>st</sup> year</b>	<b>Due in 2nd to 5<sup>th</sup> year</b>	<b>Due after 5<sup>th</sup> year</b>	<b>Carrying amount</b>
Trade payables	56.05	-	-	56.05
Other financial	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	902.50	-	9,216.90	10,119.40
	<b>958.55</b>	<b>-</b>	<b>9,216.90</b>	<b>10,175.45</b>

<b>March 31, 2018</b>	<b>Due in 1<sup>st</sup> year</b>	<b>Due in 2nd to 5<sup>th</sup> year</b>	<b>Due after 5<sup>th</sup> year</b>	<b>Carrying amount</b>
Trade payables	103.90	-	-	103.90
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	902.50	-	9,053.80	9,956.30
	<b>1,006.40</b>	<b>-</b>	<b>9,053.80</b>	<b>10,060.20</b>

	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

### 37 Related party disclosure

#### a) List of parties having significant influence

<b>Holding company</b>	The Company does not have any holding company
<b>Entities in which directors are interested</b>	
<b>Subsidiary</b>	Indowind Power Private Limited
<b>Associate Companies</b>	Indus Finance Limited Ind Eco Ventures Limited Indonet Global Limited Indus Nutri Power Private Limited Loyal Credit and Investments Limited Indus Capital Private Limited Everon Power Limited Bekae Properties Private Limited Soura Capital Private limited Perpetual Power Private Limited Bvk Agri Producer Company Limited

#### Key management personnel

Bala V Kutti	Chairman
Ravindranath K S	Whole Time Director
Harsha J	Company Secretary

#### b) Transactions during the year

Nature of Transactions	2018-19	2017-18
Subsidiary		
Power Share Income	1,027.84	1,231.32
Investments	68.26	68.26
Companies where key managerial personnel has significant influence		
Power Share Income	105.71	116.54
Interest Income	-	147.51
Investments	240.00	240.00
Directors		
Travelling Expense	33.49	28.20
Sitting Fees	4.40	4.98

#### c) Balance at the end of the year

Companies where Key Managerial Person have significant influence	Balances Outstanding at end of the year	
	2018-2019	2017-2018
<b>Companies where Key Managerial Person have significant influence-Accruals Payments</b>		
Capital Advances - Acquisition of 6Mw Wind Project	3,989.15	3,806.16
Capital Advances/Guarantee Deposits- Secured	180.00	1,002.45
Other Non Current Assets		
Loans & Advances	1,542.52	-
Other Current Assets		
Long Term Trade Advances	-	418.00
Capital WIP	-	688.63
Subsidiary		
Long Term Trade Advances	528.81	528.81
Capital Work in Progress	458.86	-
<b>Companies where Key Managerial Person have significant influence-Accruals Payments</b>		
Trade/Other Payables	-	-



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
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### 36 Retirement benefit plans

#### Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident Fund.

The total expense recognised in profit or loss of Rs. 10.37 Lakhs (for the year ended March 31, 2018: Rs. 10.51 Lakhs) represents contribution paid to these plans by the Company at rates specified in the rules of the plan.

#### Defined benefit plans

##### (a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount Rate	8.00% p.a.	8.00% p.a.
Rate of increase in compensation level	7.00% p.a.	7.00% p.a.



## INDOWIND ENERGY LIMITED

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

<b>Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Current service cost	2.45	2.45
Net interest expense	3.32	3.29
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	<u>5.77</u>	<u>5.74</u>
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
	<u>5.77</u>	<u>5.74</u>

- The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.
- The remeasurement of the net defined benefit liability is included in other comprehensive income.

**The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:**

Present value of defined benefit obligation	45.01	45.33
Fair value of plan assets	(44.05)	(44.41)
Net liability/ (asset) arising from defined benefit obligation	<u>0.96</u>	<u>0.92</u>
Funded	0.96	0.92
Unfunded	-	-
	<u>0.96</u>	<u>0.92</u>

The above provisions are reflected under 'Provision for employee benefits- gratuity' (long-term provisions). Excess of fair value of plan assets over present value of obligation is reflected under 'Prepaid expenses- gratuity' (other current assets)

**Movements in the present value of the defined benefit obligation in the current year were as follows:**

Opening defined benefit obligation	43.64	39.59
Current service cost	2.45	2.45
Interest cost	3.32	3.29
Actuarial (gains)/losses	-	-
Benefits paid	(4.40)	-
Closing defined benefit obligation	<u>45.01</u>	<u>45.33</u>

**INDOWIND ENERGY LIMITED**

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Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**Movements in the fair value of the plan assets in the current year were as follows:**

Opening fair value of plan assets	44.41	40.36
Acquisition Adjustment		
Interest Income	3.32	3.29
Return on plan assets	-	-
Contributions	0.72	0.76
Benefits paid	(4.40)	-
Closing fair value of plan assets	<u>44.05</u>	<u>44.41</u>

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

<b>BALA VENCKAT KUTTI</b> Chairman DIN - 00765036	<b>RAVINDRANATH K S</b> Director DIN - 00848817	<b>NIRANJAN R JAGTAP</b> Director DIN - 01237606
<b>HARSHA J</b> Company Secretary	<b>K R SHYAMSUNDAR</b> Director DIN - 03560150	<b>HARI BABU NK</b> Chief Financial Officer



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF  
INDOWIND ENERGY LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

**Qualified Opinion**

We have audited the accompanying consolidated financial statements of Indowind Energy Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs of the Group as at March 31, 2019, its consolidated loss (including other comprehensive income), the consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- i) We draw attention regarding impact on the Profit for the year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of repacement due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @LIBOR(6M)+400 Bps for \$ 10 million and LIBOR(6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31, 2019 would have been lower by Rs.573.18 lakhs.
- ii) The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408:2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding, Interest overdue and liquidated damages as on December 31, 2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.
- iii) The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest



rate payable @ 16% pa with monthly rests as against the earlier rate of interest @LIBOR(6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honourable High Court of Bombay.

- iv) Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of Rs.365.35 lakhs on February 22,2019 against the interest overdue. However, the company has reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.
- v) We refer to Note No.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case.
- vi) We refer to Note No. 8 to the financial statements in respect of other non-current assets of Rs.1002 lakhs relating to 2.50 MW consisting of 7 Machines which are not in working condition. Hence provision is required. However, the management is hopeful of repowering these machineries in working condition.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

### **Emphasis of Matters**

We draw attention to Note 16 to the financial statements, wherein the company is the defendant in a legal case filed by the Trustees of the Foreign Currency Bond Holders (FCCB) for liquidation before the High court of Madras. The impact of the matter cannot be ascertained at this stage

Our report is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.





<b>Key Audit Matters</b>	<b>How our audit addressed the key audit matter</b>
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.</p> <p>Refer Note.39 to the Consolidated financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>● Obtained understanding of key uncertain tax positions; and</li> <li>● We along with our internal tax experts -           <ul style="list-style-type: none"> <li>➢ Read and analysed select key correspondences, consultations by management for key uncertain tax positions;</li> <li>➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> <li>➢ Assessed management's estimate of the possible outcome of the disputed cases.</li> </ul> </li> </ul>
<p><b>Recoverability of Indirect tax receivables</b></p> <p>As at March 31,2019, other non-current financial assets in respect of Cenvat recoverable amounting to Rs.13.17 lakhs which are pending adjudication.</p> <p>Refer Note.7 to the Consolidated financial statements.</p>	<p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p>

**Other Information**

The Holding Company's management and Board of directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss (including other comprehensive



income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to



continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements / financial information of one subsidiary, whose financial statements / financial information reflect total assets of Rs. 1,127 lakhs as at 31st March, 2019, total revenues of Rs. 141.34 lakhs and net cash flows amounting to Rs. 0.39 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Rs. 1226.12 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, whose financial

statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

- 1) As required by Section 197(16) of the Act, we report that the Holding company covered under the Act has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. Further, we report that the provisions of Section 197 read with Schedule V to the Act are not applicable to the subsidiary company covered under the Act, since the company is not a public company as defined under Section 2(71) of the Act.



## INDOWIND ENERGY LIMITED

- 2) As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note.39 to the consolidated financial statements.
    - ii. The group did not have any material foreseeable losses on long term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

**For Sanjiv Shah and Associates**  
**Chartered Accountants**  
**Firm Regn.No-003572S**

**CA G Ramakrishnan**  
**Partner**  
**M. No.209035**

**Place: Chennai**  
**Date: 30<sup>th</sup> May, 2019**



## **Annexure A to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statements of the Indowind Energy Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of the holding company and its subsidiary company which is company incorporated in India as at that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company and its subsidiary company, which is company incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Sanjiv Shah and Associates  
Chartered Accountants  
Firm Regn.No-003572S**

**CA G Ramakrishnan  
Partner  
M. No.209035**

**Place: Chennai  
Date: 30<sup>th</sup> May 2019**



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Balance Sheet as at 31 March, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 March, 2019	As at 31 March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	25,162.23	24,724.17
Intangible assets	4	575.39	575.39
Capital work in progress	5	40.20	690.63
<b>Financial assets</b>			
Investments	6	1,045.75	1,045.75
Other financial assets	7	343.13	431.57
Other non-current assets	8	1,226.46	2,108.99
<b>Total non-current assets</b>		<b>28,393.15</b>	<b>29,576.51</b>
<b>Current assets</b>			
Inventories	9	74.40	14.17
<b>Financial assets</b>			
Trade receivables	10	577.76	603.39
Cash and cash equivalents	11	45.56	66.59
Bank balances other than above	12	642.16	635.95
Other current assets	13	499.96	210.32
<b>Total current assets</b>		<b>1,839.84</b>	<b>1,530.42</b>
<b>Total Assets</b>		<b>30,233.00</b>	<b>31,106.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	8,974.15	8,974.15
Other equity	15	11,061.98	12,287.23
<b>Total equity</b>		<b>20,036.13</b>	<b>21,261.38</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	9,216.90	9,053.80
Deferred Tax Liabilities (net)	17	-	(265.90)
<b>Total non-current liabilities</b>		<b>9,216.90</b>	<b>8,787.90</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	18	56.97	131.12
Other current liabilities	19	923.00	926.53
<b>Total current liabilities</b>		<b>979.97</b>	<b>1,057.65</b>
<b>Total liabilities</b>		<b>10,196.87</b>	<b>9,845.55</b>
<b>Total Equity and Liabilities</b>		<b>30,233.00</b>	<b>31,106.94</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**

Chairman  
DIN - 00765036

**RAVINDRANATH K S**

Director  
DIN - 00848817

**NIRANJAN R JAGTAP**

Director  
DIN - 01237606

**HARSHA J**

Company Secretary

**K R SHYAMSUNDAR**

Director  
DIN - 03560150

**HARI BABU NK**

Chief Financial Officer



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

### Consolidated Statement of Profit and Loss for the year ended 31 March, 2019 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes.	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Continuing Operations</b>			
<b>A Income</b>			
Revenue from operations	20	2,197.04	2,615.65
Other income	21	57.17	671.39
<b>Total income</b>		<b>2,254.21</b>	<b>3,287.04</b>
<b>B Expenses</b>			
Cost of materials consumed	22	765.38	729.55
Changes in inventories of finished goods	23	(60.23)	128.81
Employee Benefits Expense	24	227.83	222.82
Finance costs	25	699.85	766.42
Depreciation and amortisation expense	26	931.84	949.99
Other expenses	27	649.52	464.40
<b>Total expenses</b>		<b>3,214.19</b>	<b>3,261.98</b>
<b>C Profit before exceptional items and tax</b>			
Exceptional items	28	(959.98)	25.05
<b>D Profit before tax from continuing operations</b>			
Income tax expense	29	(959.98)	(2,364.84)
Current tax		0.10	0.51
Deferred tax charge/ (credit)		265.90	(265.90)
<b>Profit for the year</b>		<b>(1,225.98)</b>	<b>(2,098.43)</b>
<b>E Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(1,225.98)</b>	<b>(2,098.43)</b>
<b>Earnings per share</b>			
	<b>30</b>		
Basic earnings per share		(1.37)	(2.34)
Diluted earnings per share		(1.37)	(2.34)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

<b>BALA VENCKAT KUTTI</b>	<b>RAVINDRANATH K S</b>	<b>NIRANJAN R JAGTAP</b>
Chairman	Director	Director
DIN - 00765036	DIN - 00848817	DIN - 01237606

<b>HARSHA J</b>	<b>K R SHYAMSUNDAR</b>	<b>HARI BABU NK</b>
Company Secretary	Director	Chief Financial Officer
	DIN - 03560150	



**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

**Consolidated Statement of cash flows for the year ended March 31, 2019**  
**(All amounts are in lakhs of Indian Rupees, unless otherwise stated)**

<b>Particulars</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
<b>Cash Flow From Operating Activities</b>		
Profit before income tax	(959.98)	(2,364.83)
Adjustments for		
Depreciation and amortisation expense	931.84	949.99
(Profit)/ Loss on sale of fixed asset	-	-
Interest received	(39.15)	(192.83)
Finance costs	699.85	766.42
	<b>632.56</b>	<b>(841.25)</b>
Change in operating assets and liabilities		
(Increase)/ decrease in loans	-	-
(Increase)/ decrease in Other financial assets	(90.22)	463.20
(Increase)/ decrease in inventories	60.23	128.81
(Increase)/ decrease in trade receivables	(25.63)	32.11
(Increase)/ decrease in Other assets	(121.39)	349.74
Increase/ (decrease) in provisions and other liabilities	3.54	566.46
Increase/ (decrease) in trade payables	74.15	51.15
Cash generated from operations	533.24	750.23
Less : Income taxes paid (net of refunds)	-	(3.06)
<b>Net cash from operating activities (A)</b>	<b>533.24</b>	<b>747.17</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE (including changes in CWIP)	169.48	517.10
Sale proceeds of PPE (including changes in CWIP)	-	177.39
(Purchase)/ disposal proceeds of	-	(31.00)
(Investments in)/ Maturity of fixed deposits with banks	(27.49)	123.47
Interest income	39.15	192.83
<b>Net cash used in investing activities (B)</b>	<b>181.14</b>	<b>979.79</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from/ (repayment of) long term borrowings	(163.10)	(946.20)
Finance costs	(572.31)	(876.91)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(735.42)</b>	<b>(1,823.11)</b>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

**Consolidated Statement of cash flows for the year ended March 31, 2019**  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

<b>Particulars</b>	<b>For the year ended 31 March, 2019</b>	<b>For the year ended 31 March, 2018</b>
Net decrease in cash and cash equivalents (A+B+C)	(21.03)	(96.16 )
Cash and cash equivalents at the beginning of the financial year	66.59	162.74
<b>Cash and cash equivalents at end of the year</b>	<b>45.56</b>	<b>66.59</b>

**Notes:**

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks

- in current accounts

42.77

47.63

- in EEFC Account

-

-

- in Treasury bank savings accounts

-

-

Cash on hand

2.79

18.96

45.56

66.59

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**

Chairman

DIN - 00765036

**RAVINDRANATH K S**

Director

DIN - 00848817

**NIRANJAN R JAGTAP**

Director

DIN - 01237606

**HARSHA J**

Company Secretary

**K R SHYAMSUNDAR**

Director

DIN - 03560150

**HARI BABU NK**

Chief Financial Officer



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

### Consolidated Statements of equity for the year ended March 31, 2019 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

#### (A) Equity Share Capital

Balance at the beginning of April 1, 2017	8,974.15
Changes in equity share capital during the year	-
Balance at the end of March 31, 2018	8,974.15
Changes in equity share capital during the year	-
Balance at the end of March 31, 2019	8,974.15

#### (B) Other Equity

Particulars	General Reserve	Capital Reserve	Other comprehensive Income	Minority Interest	Retained Earnings	Securities Premium	FCCB Equity Portion	Total
<b>Balance as at April 1, 2017</b>	787.44	190.90	-	70.09	-	7,125.64	6,215.90	14,389.97
Additions/ (deductions) during the year	(2,098.43)	-	-	(4.30)	-	-	-	(2,102.73)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	<b>(1,310.99)</b>	<b>190.90</b>	<b>-</b>	<b>65.79</b>	<b>-</b>	<b>7,125.64</b>	<b>6,215.90</b>	<b>12,287.24</b>
Additions/ (deductions) during the year	(1,225.98)	-	-	0.71	-	-	-	(1,225.27)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>(2,536.97)</b>	<b>190.90</b>	<b>-</b>	<b>66.50</b>	<b>-</b>	<b>7,125.64</b>	<b>6,215.90</b>	<b>11,061.97</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
For **M/s Santiv Shah & Associates**  
Chartered Accountants  
FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> May, 2019

for and on behalf of the Board

**BALA VENCKAT KUTTI**  
Chairman  
DIN - 00765036

**RAVINDRANATH K S**  
Director  
DIN - 01237606

**HARSHA J**  
Company Secretary

**K R SHYAMSUNDAR**  
Director  
DIN - 03560150

**HARI BABU NK**  
Chief Financial Officer



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019

### 1 Corporate Information

The Company was incorporated on July 19, 1995 as a private limited company and was converted into a deemed public limited company effective September 30, 1997 and later in September 14, 2007 it listed its shares in BSE & NSE. The Registered office is situated at Kothari building, 4th Floor, No.114, Mahatama Gandhi Salai, Nungambakkam, Chennai - 600 034. The Company is engaged in the business of generation and distribution of power through windmills.

### 2. Basis of preparation of financial statements

#### Basis of preparation and presentation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

#### Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2019.

### 3 Significant Accounting Policies

#### a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019

An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 1 month as its operating cycle.

### **b) Revenue Recognition**

#### **Sale of Power**

Sale of power is recognised at the point of generation of power from the plant and stock points. Wherever the company enters into power sharing agreement, income is recognised net of power share

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

#### **Interest Income**

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019

### **Other income**

Dividend income is recognized when received dividend is established by the reporting date. Income from sale of CER(Carbon Credits) is accounted for based on eligibility criteria.

### **c) Property, plant and equipment and capital work in progress**

#### **Deemed cost option for first time adopter of Ind AS**

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost less accumulated depreciation. The Company has elected to consider the previous GAAP carrying amount of the Plant and Equipment as the deemed cost as at the date of transition, viz., 1 April 2016. However, in the case of Lands we have adopted Mark to Market Value

#### **Presentation**

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Revenue expenses and revenue receipts incurred in connection with project implementation in so far as such expense relate to the period prior to the commencement of commercial production are treated as part of project cost and capitalised.

#### **Component Cost**

All material/ significant components have been identified for the plant and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

#### **Derecognition**

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.



**d) Depreciation on property, plant and equipment**

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded / sold. Additions to fixed assets, costing Rs. 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Inventories**

Inventories are carried at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average method. In respect of work in progress and finished goods, the applicable overheads are included in the valuation.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) Foreign currency transactions and translations**

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date at which the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



**g) Borrowing Costs**

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**h) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss account (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets





arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **i) Retirement and other employee benefits**

##### **Short-term employee benefits**

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

##### **Defined contribution plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and super annuation fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

##### **Defined benefit plans**

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are



## INDOWIND ENERGY LIMITED

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Consolidated Notes to Financial Statements for the year ended March 31, 2019

recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

### **Compensated absences**

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

### **Other long term employee benefits**

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date. Liability for un-availed leave considered to be long-term is carried based on an actuarial valuation carried out at the end of each financial year.

## **j) Provisions, contingent liabilities and contingent asset**

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made if realisation of money is doubtful in the judgement of the management.

### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.



Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

**Contingent assets**

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial statements.

**k) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

**l) Cash Flow Statement**

Cash flows are presented using indirect method, whereby profit / (loss) before 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.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

**m) Earnings per share**

The basic earnings per share are computed by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.



## INDOWIND ENERGY LIMITED

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### 4 Property, plant and equipment Consolidated Notes to financial statements for the year ended March 31, 2019

Particulars	Tangible Assets : All amounts are in lakhs of Indian Rupees unless otherwise stated												Intangible Assets Capital Advance						
	Freehold Land		Leasehold Land		Buildings		Plant and Equipment		Vehicles		Office Equipment		Agricultural Plants		Capital Advance		Total		
	Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		
Cost as at April 1, 2017	3,277.86		151.20		43.96		18,642.17		51.02		74.29		44.31		3,916.25		26,201.06		575.39
Additions	17.05		-		-		533.99		0.61		3.15		-		1,659.74		2,214.54		-
Disposals	(180.73)		-		-		-		-		-		-		(170.82)		(351.55)		-
Cost as at March 31, 2018	3,114.18		151.20		43.96		19,176.16		51.63		77.44		44.31		5,405.17		28,064.05		575.39
Additions	-		-		-		-		-		2.11		-		1,445.22		1,447.34		-
Disposals	-		-		-		-		-		-		(44.31)		(33.14)		(77.45)		-
Cost as at March 31, 2019	3,114.18		151.20		43.96		19,176.16		51.63		79.55		-		6,817.26		29,433.94		575.39
Depreciation/Amortisation	-		-		-		-		-		-		-		-		-		-
Charge for the year	-		7.20		4.01		927.07		7.50		4.21		-		-		949.99		-
Disposals	-		-		4.01		2,389.89		-		-		-		-		-		-
As at March 31, 2018	-		7.20		3.99		3,316.96		7.50		4.21		-		-		3,339.88		-
Charge for the year	-		7.20		-		909.85		7.54		3.25		-		-		931.84		-
Disposals	-		-		-		-		-		-		-		-		-		-
As at March 31, 2019	-		14.40		8.00		4,226.81		15.04		7.46		-		-		4,271.72		-
Net Block	-		-		-		-		-		-		-		-		-		-
As at March 31, 2018	3,114.18		144.00		39.95		15,859.20		44.13		73.23		44.31		5,405.17		24,724.17		575.39
As at March 31, 2019	3,114.18		136.80		35.96		14,949.35		36.59		72.09		-		6,817.26		25,162.23		575.39

Details of Capital Advances				
Capital Advances	Opening	Additions	Deletions	Closing
	Bekae properties pvt ltd	99,735,126	2,500,000	102,235,126
6 Mw Project - Ind eco ventures ltd	190,760,684	211,468,253	3,313,704	398,915,233
Indus finance ltd	90,120,323	2,500,000	92,620,323	-
Suzlon Claim	159,901,181	122,909,603	-	282,810,784
	<b>540,517,314</b>	<b>339,377,856</b>	<b>198,169,153</b>	<b>681,726,017</b>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>5 Capital Work-in-progress</b>		
Capital Work-in-progress	40.20	690.63
	<b>40.20</b>	<b>690.63</b>
<b>6 Non-current investments</b>		
<b>Trade - Unquoted</b>		
Revati Commercial Private Limited		
2400000 (previous year : 2400000 fully paid equity shares of ₹10/-)	243.95	243.95
The Jain Sahakari Bank Limited		
[4247 (Previous year : 4247 fully paid equity shares of ₹10/-)]	4.14	4.14
<b>Other Non-current Investments - at FVTPL</b>	797.66	797.66
Keyman Insurance Policy	<b>1,045.75</b>	<b>1,045.75</b>
<b>Total non-current investments</b>		
Aggregate cost of unquoted investments	248.09	248.09
<b>7 Other non-current financial assets</b> (Unsecured, considered good)		
Security deposits	216.99	211.54
Balances with government authorities	37.94	34.95
Others	-	70.62
Unamortised interest expense	88.20	114.46
	<b>343.13</b>	<b>431.57</b>
<b>8 Other non-current assets</b> (Unsecured, considered good)		
Capital Expenditure Advance	-	632.48
Capital advances / Guarantee Deposits		
Capital advances with		
Others	96.62	97.28
Related Parties	-	369.97
Other non current assets with		
Others	116.13	598.09
Related Parties	1,013.71	411.17
	<b>1,226.46</b>	<b>2,108.99</b>
<b>9 Inventories</b>		
Energy Stock	74.40	14.17
	<b>74.40</b>	<b>14.17</b>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>10 Trade receivables</b>		
(unsecured, considered good)		
Outstanding for a period exceeding six months from due date of payment	492.32	420.68
Other debts	85.44	182.71
	<u>577.76</u>	<u>603.39</u>
<b>11 Cash and cash equivalents</b>		
Cash on hand	2.79	18.69
Chequ and Demand on Hand		
Balances with banks		
In current accounts	42.77	47.63
	<u>45.56</u>	<u>66.59</u>
<b>12 Other Bank Balances</b>		
In fixed deposits		
In margin money deposit with banks *		
More than 3 months but less than 12 months		
In Deposit Accounts		
Unpaid Dividend Account		
Earmarked Deposits*	642.16	635.95
Others		
	<u>642.16</u>	<u>635.95</u>
* lien marked against outstanding letters of credit		
<b>13 Other current assets</b>		
(Unsecured, considered good)		
Advances to employees	11.03	19.42
Pre-paid Expenses	17.30	40.71
Others	471.63	150.21
Miscellaneous expenses to be written off	-	(0.01)
	<u>499.96</u>	<u>210.32</u>
<b>14 Capital</b>		
<b>Authorised Share Capital</b>		
100,000,000 Equity shares of Rs. 10 each	10,000.00	10,000.00
	<u>10,000.00</u>	<u>10,000.00</u>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>Issued Share Capital</b>		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	<b>8,974.15</b>	<b>8,974.15</b>
<b>Subscribed and fully paid up share capital</b>		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	<b>8,974.15</b>	<b>8,974.15</b>

**Notes:****(a) Reconciliation of number of equity shares subscribed**

Balance as at the beginning of the year	89,741,486	89,741,486
Add: Issued during the year	-	-
<b>Balance at the end of the year</b>	<b>89,741,486</b>	<b>89,741,486</b>

**(b) Shares issued for consideration other than cash**

There are no shares which have been issued for consideration other than cash during the last 5 years.

**(c) Shareholders holding more than 5% of the total share capital**

Name of the share holder	March 31, 2019		March 31, 2018	
	No of shares	%	No of shares	%
Bala KV	5,437,495	6.06%	5,437,495	6.06%
Loyal Credit and Investments Ltd	8,125,448	9.05%	8,125,448	9.05%
Indus Finance Ltd	6,421,765	7.16%	6,421,765	7.16%
Soura Capital Pvt. Ltd	19,170,320	21.36%	18,157,751	20.23%

**(d) Rights, preferences and restrictions in respect of equity shares issued by the Company**

The company has only one class of equity shares having a par value of Rs.10 each. The equity shares of the company having par value of Rs.10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

**15 Other Equity**

General reserve	(2,546.98)	(1,310.99)
Other comprehensive income	-	-
Minority Interest	66.50	65.79
Retained earnings	-	-
Securities Premium Reserve	7,125.64	7,125.64
Capital Reserve	190.90	190.90
FCCB Equity Portion	6,215.90	6,215.90
	<b>11,061.97</b>	<b>12,287.24</b>



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>a) General reserve</b>		
Balance at the beginning of the year	(1,310.99)	787.44
Additions/ (deductions) during the year	(1,225.98)	(2,098.43)
Balance at the end of the year	<u>(2,536.97)</u>	<u>(1,310.99)</u>
<b>b) Other comprehensive income</b>		
Balance at the beginning of the year	-	-
Other comprehensive income for the period	-	-
Deductions/Adjustments during the year	-	-
Balance at the end of the year	-	-
<b>c) Retained earnings</b>		
Balance at the beginning of the year	-	-
Net profit for the period	-	(2,100.59)
Transfers to General Reserve	-	2,100.59
Ind AS adjustments	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>
<b>d) Securities Premium Reserve</b>		
Balance as at beginning and end of the year	<u>7,125.64</u>	<u>7,125.64</u>
<b>e) Capital Reserve</b>		
Balance as at beginning and end of the year	<u>190.90</u>	<u>190.90</u>
<b>f) FCCB - Equity Portion</b>		
Balance at the beginning of the year	6,215.90	6,215.90
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
Balance at the end of the year	<u>6,215.90</u>	<u>6,215.90</u>
<b>16 Long Term Borrowings</b>		
From Banks	8,163.63	7,749.73
From Other Financial Institutions	1,955.77	2,206.57
	<u>10,119.40</u>	<u>9,956.30</u>
Less: Current Maturities	902.50	902.50
	<u>9,216.90</u>	<u>9,053.80</u>





## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at 31 March, 2019	As at 31 March, 2018
<b>17 Deferred Tax Liability/ (Asset) - Net</b>		
<b>Deferred Tax Liability</b>	-	-
On depreciation	-	-
Tax effect on items constituting deferred tax asset	-	-
Prior period adjustment	-	-
Others	-	2.87
Gross Deferred tax liability	-	<u>2.87</u>
<b>Deferred Tax Asset</b>		
Carried Forward Losses	-	-
Others	265.90	268.77
On expenditure allowed for tax on accrual basis	-	-
Others	-	-
On carry forward losses on unabsorbed depreciation	-	-
Gross Deferred tax asset	<u>265.90</u>	<u>268.77</u>
Net deferred tax liability/ (asset)	-	(265.90)
MAT credit entitlement	-	-
	-	<u>(265.90)</u>
<b>18 Trade payables</b>		
Trade payables **	56.97	131.12
	<u>56.97</u>	<u>131.12</u>
<b>19 Other current liabilities</b>		
Current maturities of long term debt		
From Banks	639.34	639.34
From Others	263.16	263.16
Advance from Customers		
Employee Payables	14.08	18.00
Statutory Dues Payable		
Payables on purchase of fixed assets		
Statutory Dues Payable	6.41	6.04
Interest accrued but not due	-	-
	<u>923.00</u>	<u>926.53</u>

\*\* 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 represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date. Please refer note 38.

**INDOWIND ENERGY LIMITED**

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(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>20 Revenue from operations</b>		
Sale of Products		
Electricity	2,197.04	2,615.65
	<b>2,197.04</b>	<b>2,615.65</b>
<b>21 Other income</b>		
Interest Income		
Interest from Banks on Deposits	39.15	29.98
Interest Income - Associates	-	147.51
Interest Income - Others	-	15.35
Dividend Income	0.13	0.13
Other Non Operating Income		
Keyman Insurance Bonus	-	31.00
Others	17.89	447.44
	<b>57.17</b>	<b>671.39</b>
<b>22 Cost of materials consumed</b>		
Direct Cost incurred at Power Generation Site	765.38	729.55
	<b>765.38</b>	<b>729.55</b>
<b>23 Changes in inventories of work-in-progress, stock in trade and finished goods</b>		
<b>Opening Balance</b>		
Work in Progress	-	-
Energy Stock	14.17	142.98
	<b>14.17</b>	<b>142.98</b>
<b>Closing Balance</b>		
Work in Progress	-	-
Energy Stock	74.40	14.17
	<b>74.40</b>	<b>14.17</b>
<b>Total changes in inventories</b>	<b>60.23</b>	<b>(128.81)</b>
<b>24 Employee benefits expense</b>		
Salaries and wages	194.76	189.98
Contribution to Provident and other funds	14.44	14.43
Staff Welfare Expenses	8.61	7.07
Employee Mediclaim Expenses	10.03	11.33
	<b>227.83</b>	<b>222.82</b>



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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>25 Finance Cost</b>		
Interest Expenses		
On Borrowings	699.85	766.42
	<b>699.85</b>	<b>766.42</b>
<b>26 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	931.84	949.99
	<b>931.84</b>	<b>949.99</b>
<b>27 Other expenses</b>		
Advertisement	1.73	2.01
AGM/EGM Expenses	12.63	18.81
Bank Charges	0.25	0.32
Books and periodicals	0.15	0.21
Business Promotion	4.19	14.41
Communication	3.15	4.41
Insurance	-	5.03
Legal and Professional	102.42	125.63
Miscellaneous Expenses	1.28	137.56
Payments to auditors	5.75	6.82
Power and Fuel	7.20	9.87
Printing and Stationery	3.82	4.24
Rates and taxes	31.06	33.04
Repairs and Maintenance -Buildings	23.10	20.42
Repairs and Maintenance -Vehicles	3.84	2.88
Rupee Fluction Loss	337.24	19.83
Sitting fees	5.19	5.74
Prior Period Expenses	58.73	-
Travelling and Conveyance	47.81	53.18
	<b>649.52</b>	<b>464.40</b>
<b>Payment to auditors</b>		
Statutory Audit Fees	4.40	4.40
tax Audit Fees	0.50	1.00
For Taxation Matters	-	0.50
For Certification / Representation Matters	0.85	0.92
	<b>5.75</b>	<b>6.82</b>
<b>28 Exceptional items</b>		
Impairment of Plant & Machinery	-	2,389.89
	<b>-</b>	<b>2,389.89</b>

**INDOWIND ENERGY LIMITED**

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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>29 Income tax expense</b>		
<b>(a) Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits	0.10	0.51
<b>Total current tax expense</b>	<b>0.10</b>	<b>0.51</b>
<b>Deferred tax</b>		
Opening Balance	265.90	(265.90)
Deferred tax adjustments	-	-
<b>Total deferred tax expense/(benefit)</b>	<b>265.90</b>	<b>(265.90)</b>
<b>Income tax expense</b>	<b>265.90</b>	<b>(265.90)</b>
<b>b) The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax from continuing operations	(959.98)	25.05
Income tax expense calculated at 30.9% (2018-19: 26%)	0.10	7.74
Tax Rate Changes (30.9%-30.9%) *	-	-
Effect of expenses that are not deductible in determining taxable profit	-	(8.25)
<b>Income tax expense</b>	<b>0.10</b>	<b>0.51</b>

The Impact is due to the difference in tax rate adopted for the current year deferred tax and previous year deferred tax

**c) Income tax recognised in other comprehensive income****Deferred tax**

Remeasurement of defined benefit obligation

-	-
---	---

**Total income tax recognised in other comprehensive income**

-	-
---	---

**d) Movement of deferred tax expense during the year ended March 31, 2019**

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	-
Expenses allowable on payment basis under the Income Tax Act	-	-	-	-
Remeasurement of financial instruments under Ind AS	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**e) Movement of deferred tax expense during the year ended March 31, 2019**

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	-
Expenses allowable on payment basis under the Income Tax Act	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-	-	-	-
<b>Total</b>	-	-	-	-

**For the year ended March 31, 2019**      **For the year ended March 31, 2018**

**30 Earnings per share**

Profit for the year attributable to owners of the Company	(1,225.98)	(2,098.43)
Weighted average number of ordinary shares outstanding	89,741,486	89,741,486
Basic earnings per share (Rs)	(1.37)	(2.34)
Diluted earnings per share (Rs)	(1.37)	(2.34)

**31 Expenditure in foreign currency**

Interest payment & Principal Repayment against EXIM Bank Borrowing	347.55	778.35
Services Charges	1.42	-
	<b>348.98</b>	<b>778.35</b>

**32 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under**

(a) The principal amount remaining unpaid at the end of the year		
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

\*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**33 Commitments and contingent liability**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Contingent Liability</b>		
Statutory	342.50	388.90
Claim bank	222.00	-
Project Customers	1,066.15	928.16
	<b>1,630.65</b>	<b>1,317.06</b>
<b>Contingent Asset</b>		
Claims On Banks	1,303.55	1,361.00
Claims On Utilities	730.05	651.00
Claims On Vendors	3,984.00	2,950.00
Claims for non delivery by vendors	785.00	785.00
	<b>6,802.60</b>	<b>5,747.00</b>
<b>Excess of Contingent Asset over Contigent Liability</b>	<b>5,171.95</b>	<b>4,429.94</b>

**34 Operating lease arrangements**

The Company has entered into operating lease arrangements for certain facilities. The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties. Lease payments recognised in the Statement of Profit and Loss Rs. 7.20 Lakhs (Previous year Rs. 7.20 Lakhs)

**35. Details of Long Term Borrowings**

	March 31, 2019			March 31, 2018		
	Non Current	Current maturities	Total	Non Current	Current maturities	Total
Banks	7,524.29	639.34	8,163.63	7,110.39	639.34	7,749.73
NBFC/FIs	1,692.61	263.16	1,955.77	1,943.41	263.16	2,206.57

**Details of terms of repayment for the other long term borrowings and security provided in respect of the secured other long term borrowings**

**1. Term loan from banks: Export Import Bank of India**

The bank has released only USD 12.701 Mn as against total sanction limit of USD 25 Mn. 8 Mw Project assets are pledged against the part release. Loyal Credit and Investments Limited who have pledged 40 Lakhs shares of Indowind Energy Limited for enabling release of entire sanctioned amount has filed claim for release of shares. Company is negotiating for release of balance of funds.

**2. Term loans from other parties****i) Indian Renewable Energy Development Agency Limited**

Secured against 6 WEGs of 1.5 Mw each situated in the state of Karnataka



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### ii) LIC of India

Secured against the key man policy and repayable on maturity / surrender of Policy

### 36 Financial Instruments

#### Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

<b>Gearing Ratio:</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
Debt	10,139.10	9,980.03
Less: Cash and bank balances	687.72	702.54
Net debt	<u>9,452.18</u>	<u>9,277.79</u>
Total equity	20,036.13	21,261.38
Net debt to equity ratio (%)	47.18%	43.64%

<b>Categories of Financial Instruments</b>	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>Financial assets</b>		
<b>a. Measured at amortised cost</b>		
Loans Given	-	-
Other non-current financial assets	343.13	431.57
Trade receivables	577.76	603.39
Cash and cash equivalents	45.56	66.59
Bank balances other than above	642.16	635.95
Other financial assets	-	-
<b>b. Mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Investments	-	-
<b>Financial liabilities</b>		
<b>a. Measured at amortised cost</b>		
Borrowings (short term)	-	-
Trade payables	56.97	131.12
<b>b. Mandatorily measured at fair value through profit or loss (FVTPL)</b>		
Derivative instruments	-	-



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### Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using natural hedging financial instruments and forward contracts to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

### Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

### Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

### As on March 31, 2019 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	117.38	-	117.38	-	-	-	(117.38)
EUR	-	-	-	-	-	-	-
In INR	-	-	-	-	-	-	-





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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

As on March 31, 2018 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	119.15	-	1119.15	-	-	-	(119.15)
EUR	-	-	-	-	-	-	-
in INR	-	-	-	-	-	-	-

### Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

### Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by INR 24.95 Lakhs for the year (Previous INR 25.89 Lakhs)



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### **Credit risk management**

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

#### **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

##### **(a) Trade Receivables**

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

##### **(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank deposits**

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

#### **Offsetting related disclosures**

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

#### **Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

#### **Liquidity tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

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<b>March 31, 2019</b>	<b>Due in 1<sup>st</sup> year</b>	<b>Due in 2<sup>nd</sup> to 5<sup>th</sup> year</b>	<b>Due after 5<sup>th</sup> year</b>	<b>Carrying amount</b>
Trade payables	56.97	-	-	56.97
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued upto the reporting date)	902.50	-	9,216.90	10,119.40
	<b>959.47</b>	<b>-</b>	<b>9,216.90</b>	<b>10,176.37</b>

<b>March 31, 2018</b>	<b>Due in 1<sup>st</sup> year</b>	<b>Due in 2<sup>nd</sup> to 5<sup>th</sup> year</b>	<b>Due after 5<sup>th</sup> year</b>	<b>Carrying amount</b>
Trade payables	131.12	-	-	131.12
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	902.50	-	9,053.80	9,956.30
	<b>1,033.62</b>	<b>-</b>	<b>9,053.80</b>	<b>10,087.42</b>

**March 31, 2019    March 31, 2018**Fair value of financial assets and financial liabilities that  
are not measured at fair value (but fair value disclosures are required):

Nil

Nil

**INDOWIND ENERGY LIMITED**

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Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)**37 Related party disclosure****a) List of parties having significant influence****Holding company**

The Company does not have any holding company

**Entities in which directors are interested****Subsidiary****Associate Companies**

Indowind Power Private Limited  
 Indus Finance Limited  
 Ind Eco Ventures Limited  
 Indonet Global Limited  
 Indus Nutri Power Private Limited  
 Loyal Credit and Investments Limited  
 Indus Capital Private Limited  
 Everon Power Limited  
 Bekae Properties Private Limited  
 Soura Capital Private limited  
 Perpetual Power Private Limited  
 Bvk Agri Producer Company Limited  
 Kishore Electro Infra Private limited

**Key management personnel**

Bala V Kutti

Chairman

Ravindranath K S

Whole Time Director

Harsha J

Company Secretary

**b) Transactions during the year**

Nature of Transactions	2018-19	2017-18
Companies where key managerial personnel has significant influence		
Power Share Income	105.71	116.54
Interest Income	-	147.51
Investments	240.00	240.00
Directors		
Travelling Expense	33.49	28.20
Sitting Fees	4.40	4.98

**c) Balance at the end of the year**

Companies where Key Managerial Person have significant influence	Balances Outstanding at end of the year	
	2018-2019	2017-2018
<b>Companies where Key Managerial Person have significant influence-Accruals Payments</b>		
Capital Advances - Acquisition of 6Mw Wind Project	3,989.15	3,806.16
Capital Advances/Guarantee Deposits- Secured	180.00	1,002.45
Other Non Current Assets		
Loans & Advances	1,013.71	-
Other Current Assets		
Long Term Trade Advances	-	418.00
Capital WIP	-	688.63
<b>Companies where Key Managerial Person have significant influence-Accruals Payments</b>		
Trade/Other Payables	-	-



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### 38 Retirement benefit plans

#### Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident Fund.

The total expense recognised in profit or loss of Rs. 10.37 Lakhs (for the year ended March 31, 2018: Rs. 10.51 Lakhs) represents contribution paid to these plans by the Company at rates specified in the rules of the plan.

#### Defined benefit plans

##### (a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2019	March 31, 2018
Discount Rate	8.00% p.a.	8.00% p.a.
Rate of increase in compensation level	7.00% p.a.	7.00% p.a.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



## INDOWIND ENERGY LIMITED

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	March 31, 2019	March 31, 2018
Current service cost	2.45	2.45
Net interest expense	3.32	3.29
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	<u>5.77</u>	<u>5.74</u>
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
	<u>5.77</u>	<u>5.74</u>

- i) The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.
- ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

**The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:**

Present value of defined benefit obligation	45.01	45.33
Fair value of plan assets	(44.05)	(44.41)
Net liability/ (asset) arising from defined benefit obligation	<u>0.96</u>	<u>0.92</u>
Funded	0.96	0.92
Unfunded	-	-
	<u>0.96</u>	<u>0.92</u>

The above provisions are reflected under 'Provision for employee benefits- gratuity' (long-term provisions). Excess of fair value of plan assets over present value of obligation is reflected under 'Prepaid expenses-gratuity' (other current assets)

**Movements in the present value of the defined benefit obligation in the current year were as follows:**

Opening defined benefit obligation	43.64	39.59
Current service cost	2.45	2.45
Interest cost	3.32	3.29
Actuarial (gains)/losses	-	-
Benefits paid	(4.40)	-
Closing defined benefit obligation	<u>45.01</u>	<u>45.33</u>

**INDOWIND ENERGY LIMITED**

CIN - L40108TN1995PLC032311

Consolidated Notes to Financial Statements for the year ended March 31, 2019  
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

**Movements in the fair value of the plan assets in the current year were as follows:**

Opening fair value of plan assets	44.41	40.36
Acquisition Adjustment	-	-
Interest Income	3.32	3.29
Return on plan assets	-	-
Contributions	0.72	0.76
Benefits paid	(4.40)	-
Closing fair value of plan assets	<u>44.05</u>	<u>44.41</u>

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For **M/s Sanjiv Shah & Associates**

Chartered Accountants

FRN: 003572S

G. Ramakrishnan

Partner

Membership No. : 209035

Place: Chennai.

Date: 30<sup>th</sup> JMay, 2019

for and on behalf of the Board

<b>BALA VENCKAT KUTTI</b> Chairman DIN - 00765036	<b>RAVINDRANATH K S</b> Director DIN - 00848817	<b>NIRANJAN R JAGTAP</b> Director DIN - 01237606
<b>HARSHA J</b> Company Secretary	<b>K R SHYAMSUNDAR</b> Director DIN - 03560150	<b>HARI BABU NK</b> Chief Financial Officer



**INDOWIND ENERGY LIMITED**

CIN: L40108TN1995PLC032311

**No.114, Kothari Building, IV Floor, M.G. Road,  
Nungambakkam, Chennai 600 034.**

**Tel: 044-28330867 Fax: 044-28330208 Email: [contact@indowind.com](mailto:contact@indowind.com)**

**Website: [www.indowind.com](http://www.indowind.com)**

**ATTENDANCE SLIP**

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

NAME AND ADDRESS OF THE SHAREHOLDER

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**Folio No.**

DP.ID

CLIENT ID\*

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting held on Wednesday 18<sup>th</sup> September 2019, at 4.00 p.m., The Music Academy, New No.168, T.T.K. Road, Royapettah, Chennai - 600 014.

SIGNATURE OF THE MEMBERS OR PROXY	NO. OF SHARES HELD





**PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]



**INDOWIND ENERGY LIMITED**

CIN: L40108TN1995PLC032311

**No.114, Kothari Building, IV Floor, M.G. Road,  
Nungambakkam, Chennai 600 034.**

**Tel: 044-28330867 Fax: 044-28330208 Email: [contact@indowind.com](mailto:contact@indowind.com)  
Website: [www.indowind.com](http://www.indowind.com)**

Name of the member(s):

Registered address

E-mail Id:

Folio No. / Client ID: DP ID:

I / We, being the member(s) of INDOWIND ENERGY LIMITED, holding..... Equity shares of the Company, hereby appoint

1. Name: .....

Address: .....

.....

.....

Email Id: .....

Signature: .....

or failing him

2. Name: .....

Address: .....

.....

.....

Email Id: .....

Signature: .....

or failing him

3. Name: .....

Address: .....

.....

.....

Email Id: .....

Signature: .....

or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday 18<sup>th</sup> September 2019 at 4.00 PM at The Music Academy, New No.168, T.T.K. Road, Royapettah, Chennai - 600 014. India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	To consider and adopt the Audited Financial statement of the Company for the financial year ended 31st March 2019 and the Report of the Board of Directors and the Auditors thereon			
2	To appoint a Director in the place of Ms. Alice chhikara, (holding DIN- 00088920) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for Re-appointment.			
3	Appointment of Auditor			

Re 1/-  
Revenue  
Stamp

Signed this/-----/day of/-----/2019.

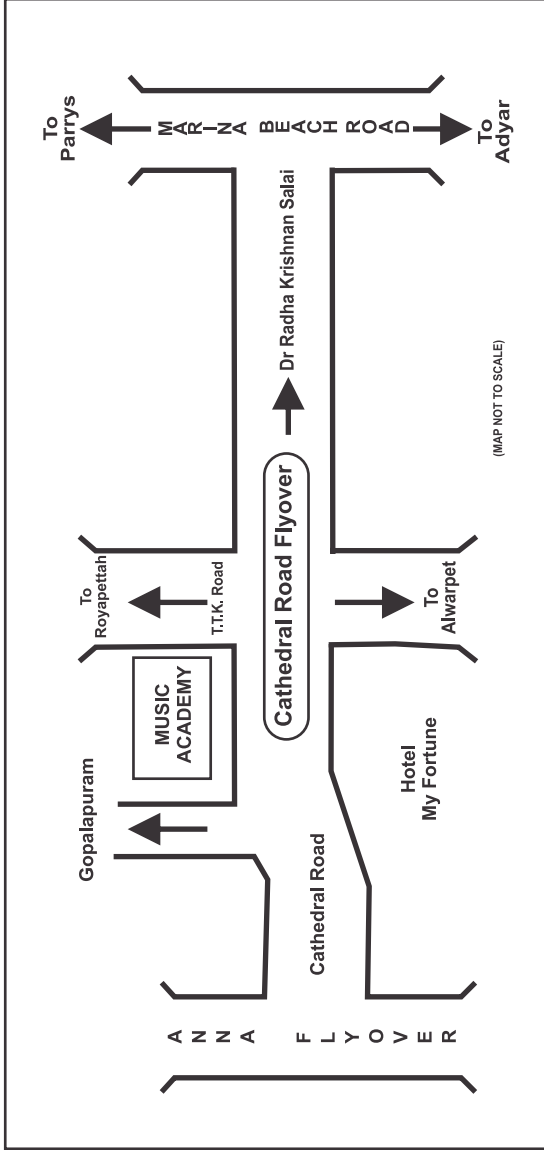
Signature of shareholder: -----

Signature of the proxy holder(s): -----

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave, for / against / abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

# ROUTE MAP TO AGM VENUE





If Undelivered Please return to :



**INDOWIND ENERGY LIMITED**

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