

INDOWIND ENERGY LIMITED

BOARD OF DIRECTORS

- | | |
|-------------------------|------------------------|
| 1. Bala V Kutti | - Chairman |
| 2. K.S.Ravindranath | - Whole Time Director |
| 3. Niranjana R Jagtap | - Independent Director |
| 4. Dr. K.R. Shyamsundar | - Independent Director |
| 5. Alice Chhikara | - Director |
| 6. Rajashree Santhanam | - Independent Director |

COMPANY SECRETARY

Harsha J

CHIEF FINANCIAL OFFICER

N.K.Haribabu

AUDITORS

STATUTORY

M/s. Sanjiv Shah & Associates
Chartered Accountants
80, Adarsha Apartments II nd
Floor, Vepery High Road,
Chennai-600 007.
Email-mail@ssaca.in

INTERNAL

Kailash Jain & Associates
Chartered Accountants
Address: No.60/1, Tana Street,
Purasaiwakkam,
Chennai - 600 007.
Email: ca.kailash@Hotmail.com

SECRETARIAL

R.Kannan
Practicing Company secretary
Sri Sankara Gurukripa Illam
No.6A, 10th Street, New
Colony, Adambakkam,
Chennai-600088.
E-mail: gkrkgram@yahoo.in

SUBSIDIARY

Indowind Power Pvt. Ltd.
Kothari Buildings, No.114, 4th Floor,
Mahatma Gandhi Road, Nungabakkam,
Chennai- 600 034.

BANKERS AND FINANCIAL INSTITUTIONS

DCB Bank Limited
Axis Bank Limited
EXIM Bank Limited
Indian Renewable Energy Development Agency Limited

REGISTERED OFFICE

“Kothari Buildings” 4th Floor, 114, M.G.Road,
Nungambakkam, Chennai- 600 034.
Tel: 044-28330867/28331310 Fax: 044-
28330208.
Email: contact@indowind.com
Website: www.indowind.com

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (East), Mumbai 400 072.
bhagwan@bigshareonline.com

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NOTICE TO THE SHAREHOLDERS

Notice is hereby given that **25th Annual General Meeting** of Indowind Energy Limited having CIN: L40108TN1995PLC032311 will be held through **Video Conferencing (“VC”)/ Other Audio Visual Means (OVAM)** on **Tuesday, 29th September 2020** at **4:00 PM IST** to transact the following businesses;

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors thereon.**
2. **To appoint a Director in the place of Mr. Bala V Kutti having (Director Identification No.00765036) who retires by rotation and being eligible offers himself for reappointment.**

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 152 of the Companies Act, 2013 Mr.Bala V Kutti (DIN No.00765036), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the company, liable to retire by rotation”.

3. **Appointment of Auditor.**

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 there under 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 26th 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.”

SPECIAL BUSINESS:

4. **RE-APPOINTMENT OF Mr. NIRANJAN R JAPTAP (DIN 01237606) AS AN INDEPENDENT DIRECTOR AND TO CONTINUE THE DIRECTORSHIP IRRESPECTIVE OF HIS AGE AS PER REGULATION 17(1A) OF SEBI (LODR) REGULATIONS, 2015**

To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution;

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr.Niranjan R Jagtap (DIN: 01237606), who was appointed as an Independent Director with effect from 28th September, 2015 and who holds office up to the conclusion of 25th AGM, 2020, and who is eligible for re-appointment and meets the criteria for independence as provided under Section 149(6) of the Act along with the Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years up to the conclusion of 30th Annual General Meeting, and that he shall not be liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory amendments, modifications(s) or re-enactment(s) thereof for the time being in force), approval be and is hereby accorded for the continuation of second term of Mr.Niranjan R Jagtap (DIN: 01237606), as Non-Executive Independent Director.” who will be attaining the age of 75 years, during a second term of his appointment

“RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

IMPORTANT NOTES:

Statutory information:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 23rd September 2020 to 29th September 2020 (both days inclusive) in connection with the Annual General Meeting (AGM)
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out details relating to Special Business of the meeting is annexed hereto which may also regarded as the disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations).

Meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM):

3. Pursuant to the General Circular No. 20/2020 dated 5th May 2020 read with General Circulars No. 14/2020 dated 8th April 2020 and 17/2020 dated 13th April 2020, the Meeting will be held through Video Conferencing/ Other Audio Visual Means.
4. In terms of the above Circulars, there is no provision for appointment of proxies for the meeting. However, in pursuance of Section 112 and Section 113 of the Companies Act,

2013, representatives of bodies corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

5. For participating in the Meeting through the VC/OAVM please see the heading “Guidance to shareholders for attending the AGM through VC/OAVM”.
6. Members desirous of speaking at the meeting may register themselves at contact@indowind.com
7. The above facility for registration will be open from 9:00 AM on 21st September 2020 to 5:00 PM on 25th September 2020. It may please be noted that there will be no option for spot registration and so only those shareholders who have registered through the above process will be able to speak at the meeting.
8. Members who do not wish to speak during the AGM but need clarifications on the items to be transacted at the AGM may send their queries by e-mail to contact@indowind.com on or before 25th September 2020, mentioning their names, demat account number/folio number, e-mail id and mobile number. These queries will be replied to by the Company suitably by email.

Despatch of Annual Report and Notice of the meeting:

9. Electronic copy of the Annual Report for the year 2019-20 and the Notice of the 25th AGM are being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. Members may note that pursuant to the aforesaid Circulars and SEBI Circular dated 12.05.2020 there is no provision for providing printed copies of the Annual Reports.
10. Annual Report and the Notice of the AGM are available in the Company’s website: www.indowind.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting during the AGM) i.e. www.evotingindia.com.

Facility for Remote E-voting and Voting during the meeting:

11. Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act 2013, and the relevant Rules, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting through remote e-voting. The detailed process for participating in the said e-voting is furnished in heading “Guidance To Shareholders For Remote E-Voting”.
12. A person who has participated in the remote e-voting is not debarred from participating in the meeting though he/she shall not be able to vote at the meeting again and his/her earlier vote cast electronically shall be treated as final. However, as per Rule 20 of the Companies (Management & Administration) Rules, 2014, facility for voting shall also be made available at the meeting and Members who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting which would also be through electronic means.

General:

13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and the holdings should be verified.
14. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA by e-mail to bhagwan@bigshareonline.com
15. SEBI vide Circular dated 20-04-2018 mandated the Company to collect copy of PAN and Bank account details from Members holding shares in physical form. Accordingly in July 2018 individual letters were sent to those shareholders whose PAN and Bank account details were not available with the Company followed by two reminders. In spite of this, many shareholders have not come forward to provide the information. Such shareholders are requested to provide the information at the earliest to the Company/ RTA. As per the Circular the shareholders who have not furnished the information have been placed under “enhanced watch” and so their requests will be processed subject to enhanced due diligence.
16. Pursuant to proviso to Regulation 40 (1) of the Listing Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names are not to be processed by the Company in physical form. So, shareholders desirous of transferring their shares are requested to dematerialize their shares.
17. The documents and information to be made available for inspection by the Members during the AGM will be provided electronically through the e-voting facility of CDSL.

GUIDANCE TO SHAREHOLDRES FOR REMOTE E-VOTING

- (i) The voting period begins at 9:00 AM on 26-09-2020 and ends on 28-09-2020 at 5:00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date viz., 22-09-2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5 p.m. on 28-09-2020.
- (ii) For remote e-voting shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on “Shareholders” module.
- (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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEEST e-services, you can log-in at <https://www.cdslindia.com> from Login – Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (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 and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vii) If you are holding shares in demat mode and a first time user or if you are holding shares in Physical mode:
 - a) Enter the following details:

Applicable for Shareholders holding shares in Demat form and Physical form:

PAN	Enter your 10 digit alpha-numeric “PAN issued by Income Tax Department “Members who have not updated their PAN with the Company/Depository Participant please use the sequence number which is available in the e-mail forwarding the Annual Report.
DOB	If both the details are not recorded with the Depository or Company please enter the member id / folio number as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Shareholders 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 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.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) Click on the EVSN for Indowind Energy Limited and you will be directed to the e-voting screen.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.

- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, your option would have been recorded and you will not be allowed to modify it thereafter.
- (xvii) After completing the voting, you can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THOSE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical Shareholders: Please provide necessary details like folio number, Name of the shareholder, scanned copy of share certificate (front & back), PAN (self –attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) by e-mail to bhagwan@bigshareonline.com
2. For Demat Shareholders: Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL 16 digit DPID+CLID), Name, Client Master or copy of Consolidated Account Statement, PAN (self–attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) by e-mail to bhagwan@bigshareonline.com

GUIDANCE TO SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM

1. As mentioned earlier, the AGM will be held through Video Conferencing (VC) /Other Audio Visual Means (OAVM).
2. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders/ Members login by using the remote e-voting credentials. The link for VC/OAVM will be available upon login where the EVSN of Company will be displayed.
3. Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. In other words, the window for joining the meeting would be available from 3:45 PM on the AGM day.
4. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This shall not apply to Shareholders holding 2% or more shares and other categories of persons mentioned in the relevant Circular.

5. The attendance of the Members participating in the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Shareholders are encouraged to join the Meeting through Laptops / IPads / Desktops for better experience. Shareholders will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. Please note that participants connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting. There is no provision for spot registration to speak at the meeting. Please refer to Sl. No.8 under the heading “Important Note” to register for speaking at the Meeting.
9. Shareholders are requested not to permit any other person to use their log-in credentials, as it would be a violation of the provisions of the Companies Act, 2013 and the Rules made there under.

GUIDANCE TO SHAREHOLDERS FOR VOTING DURING THE AGM

1. The procedure for e-Voting on the day of the AGM is same as mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. E-voting facility during the meeting will be available from the beginning of the Meeting till 5 minutes after the close of the meeting. Shareholders may, at their option, vote at any time during this period. The voting facility will be closed thereafter.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

FOR THE ATTENTION OF NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to 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.
- Non Individual shareholders who have voted from the tab for individuals or not submitted the relevant documents in the CDSL E-voting system are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote by email, to the Scrutinizers gkrkgram@yahoo.in or to the Company at contact@indowind.com

CONTACT FOR FURTHER INFORMATION

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

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

Place: Chennai – 600 034
Date: 7th August, 2020

HARSHA J
Company Secretary

EXPLANATORY STATEMENT RELATING TO THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO: 4

Re-appointment of Mr. Niranjan R Jagtap (DIN: 01237606) as an Independent Director and to continue the directorship irrespective of his age as per Regulation 17(1A) of SEBI (LODR) Regulations, 2015

The Members of the Company at the Twenty Annual General Meeting had appointed Mr. Niranjan R Jagtap (DIN: 01237606) as the Independent Directors of the Company for a term of five (5) consecutive years.

As the Members are aware, Pursuant to the relevant provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) as amended, Mr. Niranjan R Jagtap (DIN: 01237606) was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years and who hold office as an Independent Director of the Company upto the conclusion of this Annual General Meeting. As per Section 149(10) of the Act an Independent Director shall hold office for a term up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company.

The Nomination & Remuneration Committee, on the basis of the report of performance evaluation, has recommended the re-appointment of Mr. Niranjan R Jagtap, for a second term of 5 (five) consecutive years, i.e. from this Annual General Meeting until the conclusion of 30th Annual General Meeting.

Pursuant to Regulation 17 (1A) of amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board also recommends the resolution in relation to the continuation of second term of Mr. Niranjan R Jagtap (DIN: 01237606), who will be attaining the age of 75 years, during a second term of his appointment as Non-Executive Independent Director.”

Brief profile of Niranjan R Jagtap is set-out below:

Mr. Niranjan R Jagtap (DIN:01237606) was appointed as an Independent Director of the company pursuant to approval of the Members under the provisions of the Companies Act, 2013 through resolutions passed at the Annual General Meeting. He is practicing independently since 1981 and since 1983 in the firm name of Niranjan Jagtap & Co., Advocates & Notary as a Sole Proprietor.

Mr. Niranjan R Jagtap handles litigation and filing of matters before the High Court at Judicature at Bombay (Original side and Appellate side), Company Law Board, Debt Recovery Tribunals, and

Arbitrations generally and more particularly relating to Real Estate. Mr. Niranjana R Jagtap also serves on the Boards of Indus Finance Limited, Skyline Millars Limited, among others.

Mr. Niranjana R Jagtap has been an active member of the Board and the Board Committees of which he is a member. He brings independent judgement on the Board of the Company and his continued association will be valuable and positive. With his expertise, skills and knowledge, particularly in the field of Legal, finance and accounts, he articulates and provides his valuable guidance and inputs in all matters pertaining to the legal matters and financial statements. Mr. Niranjana R Jagtap is physically fit and current with legal and finance matters.

Details of Mr. Niranjana R Jagtap attendance at the Board, Committee and General Meetings held during the last two financial years are given below:

Financial Year	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Annual General Meeting
2018-19	4 out of 4	4 out of 4	1 out of 1	Yes
2017-18	4 out of 4	4 out of 4	1 out of 1	Yes

The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail their services as Independent Director.

The Board of Directors recommends the resolution at Item No.4 for approval of Members of the company.

None of the Directors or Key Managerial Personnel and their relatives other than Mr. Niranjana R Jagtap being appointee, in any way, interested or concerned, financially or otherwise in the special resolutions set out at Item 4 of the Notice.

BRIEF PROFILE OF MR. BALA VENCKAT KUTTI

Mr. Bala V Kutti, has over 29 years of business experience in the areas of project management, investment banking, corporate lending and merchant banking. Further, he has promoted a number of companies and ventures apart from Indus Finance Ltd, The information pertaining to him to be provided as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is furnished in the Report on Corporate Governance of the Annual Report.

SUPPLEMENTARY ANNUAL GENERAL MEETING (AGM) NOTICE

This notice is a supplement to the notice given by the Board of Directors for convening of the 25th Annual General Meeting of the members of Indowind Energy Limited, which is schedule to be held on Tuesday, 29th September, 2020 at 4.00 PM through video Conference (VC)/ Other Audio Visual Means (OAVM)

The supplementary notice is given to the members of the company to inform that at the said, 25th Annual General Meeting of the members of Indowind Energy Limited, the following special Businesses will also be transacted.

This Special business is to be included after item No. 4 of the original Notice of 25th AGM as follows.

SPECIAL BUSINESS

Item No:5

APPOINTMENT OF MS. RAJASHREE SANTHANAM, (DIN: 07162071) AS AN INDEPENDENT DIRECTOR

To Consider and, if thought fit, to pass with or without modification, if any, the following Resolution as a Special Resolution;

“RESOLVED THAT Pursuant to the Provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable Provisions, Sections, Rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), Consent of the Board be and is hereby accorded, to appoint Ms.Rajashree Santhanam as an Additional Director (Non-Executive & Independent) on the Board of the Company w.e.f. 27th August, 2020 to hold office up to the date of the ensuing Annual General Meeting and subject to the approval of the members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a term up to two consecutive years from the date of ensuing Annual General Meeting up to the conclusion of 27th Annual General Meeting, and whose office is not liable to retire by rotation.”

“RESOLVED FURTHER THAT any Director and / or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

Place: Chennai
Date: 27th August 2020

By the order of the Board,
For Indowind Energy Limited

Harsha J
Company secretary

ANNEXURE TO THE SUPPLEMENTARY NOTICE
Explanatory Statement
(Pursuant To Section 102(1) of the Companies Act, 2013)

Item No: 5

Ms.Rajashree Santhanam (DIN: 07162071) was appointed as an Additional Director of the Company with effect from 27.08.2020 by the Board of Directors in terms of Section 161(1) of the Companies Act, 2013. Ms.Rajashree Santhanam shall holds office up to the date of this Annual General Meeting and subject to the approval of the members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a term up to two consecutive years from the date of ensuing Annual General Meeting up to conclusion of 27th Annual general Meeting and whose office is not liable to retire by rotation.”

The Board of Directors recommends the resolution at Item No.5 for approval of Members of the company.

None of the Directors or Key Managerial Personnel and their relatives other than Ms. Rajashree, being appointee, in any way, interested or concerned, financially or otherwise in the Special Resolutions set out at Item 5 of the Notice.

BRIEF PROFILE OF Ms. RAJASHREE SANTHANAM

Ms. Rajashree Santhanam is a Post-graduate in Commerce and a Graduate in Law and is a Fellow Member of the Institute of Company Secretaries of India (ICSI). She has worked with Insurance Company for about 21 years. She has over 12 years of experience as Company Secretary and commenced her practice as a CS professional in 2011.

She is also an Insolvency Professional and a Registered Valuer registered with IBBI, New Delhi.

She is an expert on Company Law matters and her experience includes providing advisory services on Company Law matters and assisting companies in obtaining approvals from various statutory authorities viz., MCA, ROC, RD, NCLT and RBI. She has vast experience in the areas of Secretarial Audits, Diligent Audits and Charge related assignments for Banks.

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 25th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2020.

FINANCIAL HIGHLIGHTS AND PERFORMANCE

INR. In Million

PARTICULARS	2019-20	2018-19
Total Income	196.06	211.28
Expenses before interest and depreciation	105.93	110.43
EBITDA	90.13	100.85
Finance Cost	52.90	69.98
Depreciation	93.08	93.18
Provision for Mark to Market Cost	-	33.73
Profit Before Exceptional Item	(55.85)	(96.04)
Exceptional Item	56.45	-
Profit Before Tax	0.60	(96.04)
Tax Provision / Deferred Tax	0.09	26.59
Profit After Tax	0.51	(122.63)

During the year under review, your Company's total income stands at INR 196.06 Mn against INR 211.28Mn of the previous year. The revenue dip is due to lower generation on account of poor wind season and lower Grid availability in Karnataka. Expenses before finance cost / depreciation have been INR 105.93 Mnas against previous year's of INR.110.43Mn. The Finance cost for the year under review is INR.52.90 Mn compared to INR. 69.98 Mn of previous year. The reduction in Finance cost is consequent to certain adjustments and claims made by the company on the Bank. The company is hopeful of improving the generation and profits in the current financial year 2020-21. In view of inadequacy of profits, your company is not in a position to recommend dividend for the year under review.

OPERATIONAL PERFORMANCE

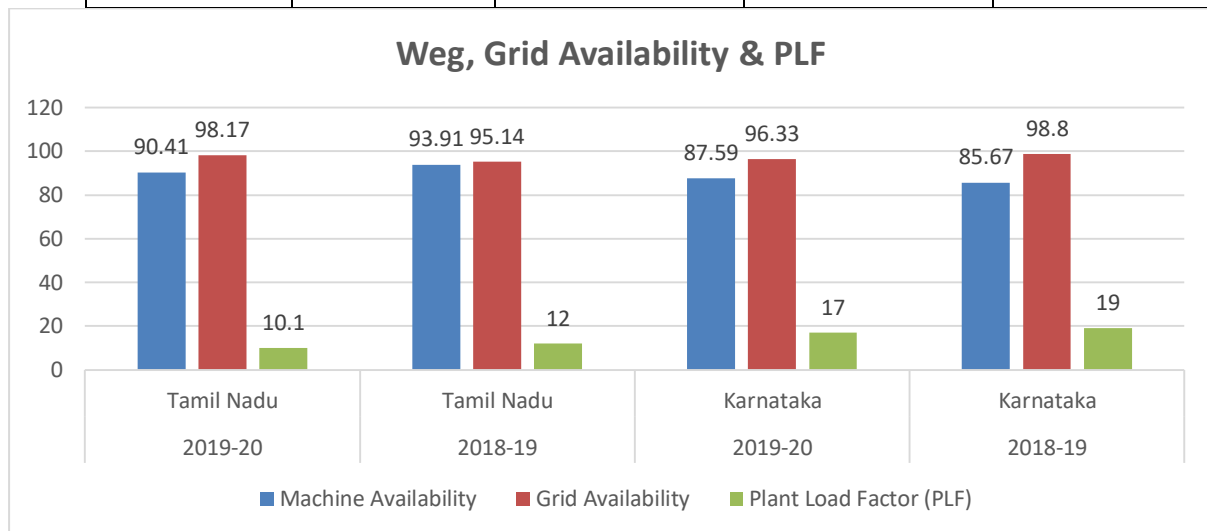
Year	2019-20	2018-19
Capacity(MW)	49.645	49.645
Production	52,347,220	57,240,088

PLF (%) – INDIA

Post 2010 PLFs gradually increased due to higher capacity turbines of MW class were installed in India with latest technology to an average of around 25 to 26% PLF annually. The PLF also is highly state & site specific and depends on evacuation facilities available & the DISCOMs scheduling the wind power for evacuating.

PLF (%) – INDO WIND ENERGY LTD

Year	States	Machine Availability	Grid Availability	Plant Load Factor (PLF)
2019-20	Tamil Nadu	90.41	98.17	10.1
2018-19	Tamil Nadu	93.91	95.14	12.0
2019-20	Karnataka	87.59	96.33	17.0
2018-19	Karnataka	85.67	98.80	19.0

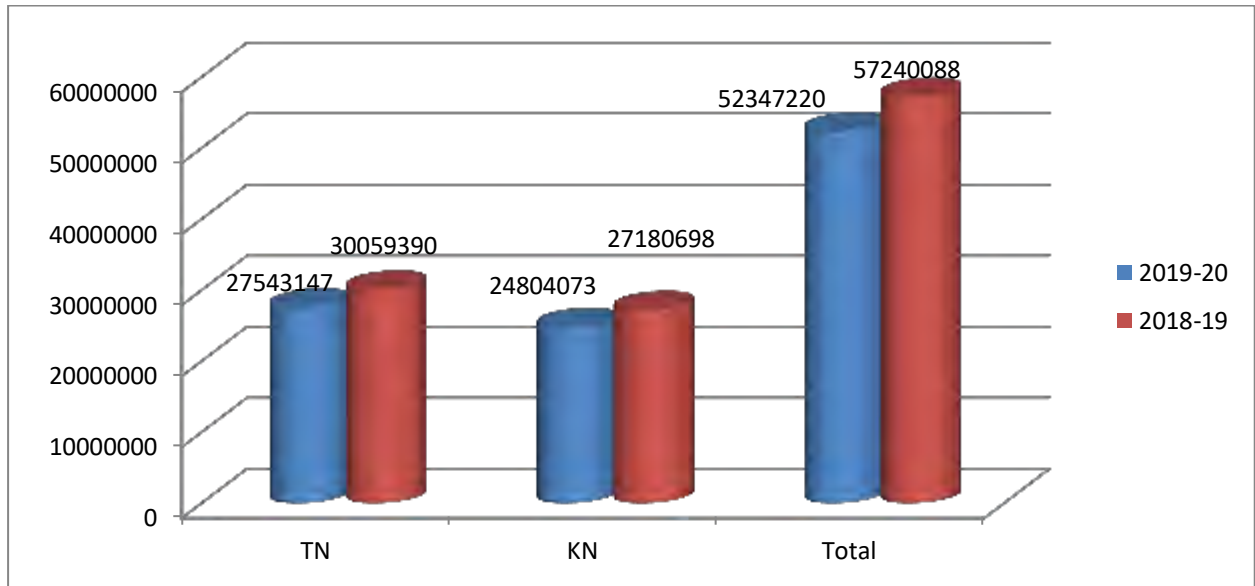


For the Financial Year 2019-20 Machine availability for TN is 90.41% and KA is 87.59% as compared to 93.91% and 85.67% respectively for the previous year 2018-19. Machine availability in TN is dropped down because of gear box failure of one machine of 750kw Wind Energy Generator. However, machine availability in KA has increased by improving the efficiency of existing machines.

For the Financial Year 2019-20 Grid availability for TN is 98.17% and KA is 96.33% as compared to 95.14% and 98.80% respectively for the previous year 2018-19.

For the Financial Year 2019-20 Plant Load Factor (PLF) for TN is 10.1% and KA is 17% as compared to 12.0% and 19.0% respectively for the previous year 2018-19. PLF was on the lower side due to poor north east monsoon.

Generation Chart



REPOWERING

The company’s investment in repowering & retrofitting of old WEGs have started yielding generation during the year and the units have been sold as per the plan.

PROCESS IMPROVEMENT

Automation program implemented by the company is working smoothly providing MIS for operational and executive decision making.

CY PRODUCTION OUTLOOK BASED ON WIND, GRID, CORONA ISSUES ETC

The Meteorological department has predicted better wind season for 2020-21 which is heartening but the Grid availability may be an issue in evacuation due to Covid19 pandemic which has considerably slowed down the Demand side which has constrained selling power due to lower supply uptake from generators by DISCOMs which are facing financial stress creating liquidity issue to pay the generators. The GOI has announced INR 900000 Mn to fund DISCOMs subject to State Governments providing Guarantee to improve the cash crisis faced by DISCOMs through PFC& REC.

POWER SALE

The Company offers 'Green Power®' to its customers, which are mainly Corporate and State utilities to ensure higher revenue realization. The company has sold all the power generated & evacuated to the grid to its captive clients as per the contractual terms helping in maintaining the revenues, in spite of competitive pressure on pricing and increase in charges by TANGEDCO.

Power Income (INR)	2019-20	2018-19
Tamil Nadu	11,05,01,675	11,92,99,830
Karnataka	7,87,36,443	8,62,69,401

Core Expertise: Wide expertise in the operations of wind farms from Concept to Post Commissioning. Proven Track record and Technical Expertise of highly experienced employees is a great asset to the company's operational performance.

Multiple projects capability: Wind assets are located across some of the best sites of the country, thereby enabling it to generate higher output. Our wind assets comprise of wind turbines of varied size and specification which are operated and maintained by our well trained technical teams across locations.

Repowering policy: Growing Population of obsolete technology and ageing WEGs in high wind areas are increasing the cost per KWh of generation and thus making it unviable to operate, a favorable Repowering policy is yet to be finalized with the draft released for comments from stakeholders has been called for and their concerns has been provided. Addressing gray areas through proper policy guidelines will ensure phasing out of old machines to bring in new & upgraded machines on a large scale, to meet the Governments ambitious target of 60 GW wind power by 2022.

Increasing Competition: Competitive pressure is putting tremendous pressure on pricing discounts to Clients who go by the market offering better rates, we have ensured to maintain our top-line tariffs at sustainable levels which are affected by increase in charges levied by TANGEDCO resulting in marginal decrease in net realization.

Regulatory Support: The renewable sector has been primarily driven by supportive government policies. Delay in obtaining the requisite approvals leads to cost overruns thereby impacting the financial viability of the project.

Vulnerability to Delays: Given the nature of the business, any lag or the delay on account of environmental factors (forest clearances etc.,) can result in cost escalation thereby affecting the viability of the project.

Higher Finance Cost: The industry is faced with higher borrowing cost in absence of support from the funding agencies offering lower interest and extending the repayment period by considering the life of the assets, and structuring the repayments based on seasonality of wind and grid availability.

FUTURE PLANS

1. Based on Board review & advise we plan adding capacities for growth by raising funds through Equity and Debt based subject to evaluation. The company will also look at acquiring Brown field projects with a minimum 4 to 5 years payback.
2. The 12 mw project initiated as part of Exim bank funding is still pending, due to bank's failure in release of funds. The 8 mw project created with part money released in INR of 586 Mn. by

2013, has already repaid INR 403 Mn. to Exim bank, as per TRA. The targeted equity surplus couldn't be earned due to pending project issues. The company has filed a case in Hon'ble Bombay High Court for release of balance funds, charge reasonable interest rates in line with market rates & power sector ERC tariff policies etc. and adhere to TRA. The company is in negotiations with the bank and hope to find amicable, out of court win-win solution.

3. During the current financial year, your Company plans to settle existing debts of EXIM Bank, close IREDA loan and acquire 3 MW Wind Mill assets for INR 450 Mn. by raising loan of INR 1000 Mn and utilize the same to settle and close existing loans, planned acquisition and implement balance 12 MW Wind Mill project.
4. Your company is pursuing legal measures to recover the shortfall in generation dues from Suzlon and other recovery dues from Wescare, Wipro and Bank of Baroda (Dena Bank). Any favorable judgment will help company to recover huge amounts blocked in legal disputes for investing in expansion projects for revenue & profitability growth. Resolving FCCB issue, through mutual negotiation is on, as advised by Hon'ble High Court of Madras.

RISKS AND CONCERNS

1. With respect to Interest claim for delayed payments Hon'ble Supreme Court ordered to pay interest dues @ 12% and TANGEDCO got an APTEL order to pay 10% which was also delayed and finally TANGEDCO offered a proposal of paying interest @ 6% p.a. and the company has accepted the proposal and received the claim settlement @ 6% amounting to Rs. 6.4 Mn. as against the claim amount of Rs. 24.4 Mn. from TANGEDCO. However, the offer was accepted with a condition that if TANGEDCO pays additional interest to any other customer, then the company will also claim the difference in the event of TANGEDCO paying higher rate of interest. Based on the latest TNERC order we plan to pursue the recovery.
2. **Compensation claim from Suzlon:**
Arbitration Award dt. 22/07/2017 – INR 207.4 Mn along with 18% interest till date of payment, for shortfall in generation till 31.3.2015 has been set aside by the High Court of Madras and your company has filed an Appeal before the bench of the Hon'ble High Court of Madras praying for interim stay of the above order dt. 26/11/2019 and restore the Arbitration Award. Further, company has also made a claim on Suzlon for Rs. 29,66,53,278 being shortfall in generation from 1/4/2015 to 31/3/2020 as per petition filed by your Company before Hon'ble High Court of Madras.
3. Recently, the Global Wind Energy Council (GWEC) released a new report which analyzes how COVID-19 is impacting the global wind industry, including India. According to the report, to comply with the lockdown in India, both local and international turbine original equipment manufacturers (OEMs) and components manufacturers have temporarily suspended their production activities in India.
4. However, O&M services continue to operate with a reduced workforce. India is the largest wind turbine production base after China in the Asia Pacific region, with annual wind turbine manufacturing capacity up to 10 GW.

OPPORTUNITIES AND THREATS

Demand side growth has been low due to Covid19 which has constrained selling power resulting in lower supply uptake from generators by DISCOMs and finances may also undergo lot of stress burden creating liquidity issue.

After three decades of steady growth, installed wind power capacity in India reached 37.74 GW. This growth was possible mainly because of the support it got by way of accelerated depreciation, viable feed-in tariffs and allowing Group Captive sales for Generators. India has set a target of 60 GW of wind power to be achieved by 2022. But due to policy changes like discovery of procurement price through reverse price bidding auctions, this modest target seems unlikely to be achieved as evident from the lukewarm response to auctions and the dropping rate of capacity addition.

1. Some arbitrary orders issued by TANGEDCO has been challenged by IWPA viz., Banking period change, non-acceptance of switchover from Sale to TANGEDCO to Captive or Group Captive, denying open access to clients with less than 1000 MVA demand, etc.
2. After the introduction of reverse bidding at the national level, capacity addition of wind energy in Karnataka has slowed down. While DISCOMs stopped signing PPAs, bidding process also did not get off the ground in Karnataka. Capacity addition of wind power in Karnataka which was 882.30 MW in FY 2017 and 875 MW in FY 2018 plummeted to 75.5 MW in FY 2019 and to 60 MW in FY 2020.
3. As the minimum bid capacity is 25MW as per the guidelines small investors have lost the opportunity to invest in wind power. Accordingly, KERC on 16th May 2018 determined the generic tariff for wind power projects of less than 25MW capacity at Rs.3.45/kw. Within 20 days (on 5th June 2018) from this Order KERC issued another Order stipulating that all future procurement of power by distribution licensees from wind power plants, irrespective of capacity, shall be only through competitive bidding. No action was initiated for introducing bidding on the pretext that Karnataka has surplus power and it had already met the RPO target.
4. KERC has reduced the banking period for RE projects to six months from one year and the Banking period is stipulated as Jan-June and July- Dec. As 70% of wind energy generation in Karnataka happens between June and September and Banking takes place only during this period. Hence restricting the Banking period to Jan-June and July-Dec affects the generators adversely.
5. Land acquisition is a major challenge for setting up projects. Now the Government of Karnataka has announced that it will allow industry to directly buy land from farmers. This decision if and when implemented, will help speed up the acquisition process.

ECONOMIC SCENARIO AND OUTLOOK:

The Global economy is showing early signs of a turnaround owing to estimated economic performance improvements across South East Asia, the Middle East and Latin America and receding trade tensions between the U.S and China. The global GDP growth which dipped to 2.9 % in 2019 from 3.6% in 2018, 3.3% in 2020. Future expected grow by 3.4% in 2021 has been affected by the Global Pandemic and the forecast may see a decline.

The Indian economy registered a slowdown in 2019-20 with GDP growth falling from 6.8 per cent in 2018-19 to 5 per cent in the first quarter of 2019-20 and to 4.5 per cent in the second quarter of 2019-20. A weak rural demand and the stress on the financial sector are being cited as key contributing factors for the sluggish growth.

The reduction in the Current Account Deficit (CAD) as a percentage of GDP to 1.5% in the first half of 2019-20 along with robust growth in Foreign Direct Investments (FDI), rebound in Foreign Portfolio Investments (FPI) and expanding Foreign Reserves indicates a positive trajectory of the economy on the external front.

The government has taken a slew of measures to revamp the financial sector, address the Non-Banking Financial Companies (NBFCs) crisis, reduce the stress in the real estate sector and speed up the resolution process under Insolvency and Bankruptcy Code (IBC).

The measures taken by the government are supported by an accommodative monetary policy. The RBI cut the repo-rate by 110 basis points since April 2019 to ease the credit flow in the economy. These initiatives have had a positive impact on the economy as the real consumption growth recovered in second quarter of 2019-20.

GDP Outlook for 2020-21

As per the ADB forecast, risks to the outlook remain on the downside.

“There is also the risk of renewed escalation in trade tensions between the United States and the People’s Republic of China (PRC),” it added.

The Reserve Bank of India (RBI) earlier in May projected a gloomy picture of the economy, saying the impact of COVID-19 is more severe than anticipated and the GDP growth during 2020-21 is likely to remain in the negative territory.

International rating agencies like Moody’s Investors Service, Fitch Rating and S&P Global Ratings have all predicted a 4-5 per cent contraction in India’s economic growth rate during April 2020 to March 2021 fiscal. Crisil has said this would be the country’s fourth recession since Independence, first since liberalisation, and perhaps the worst to date.

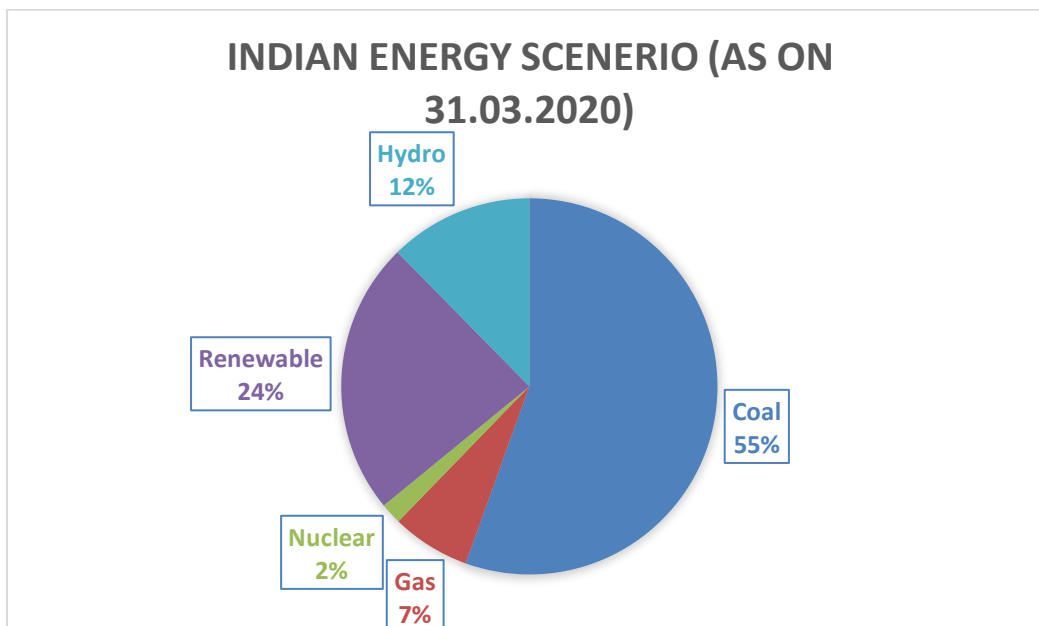
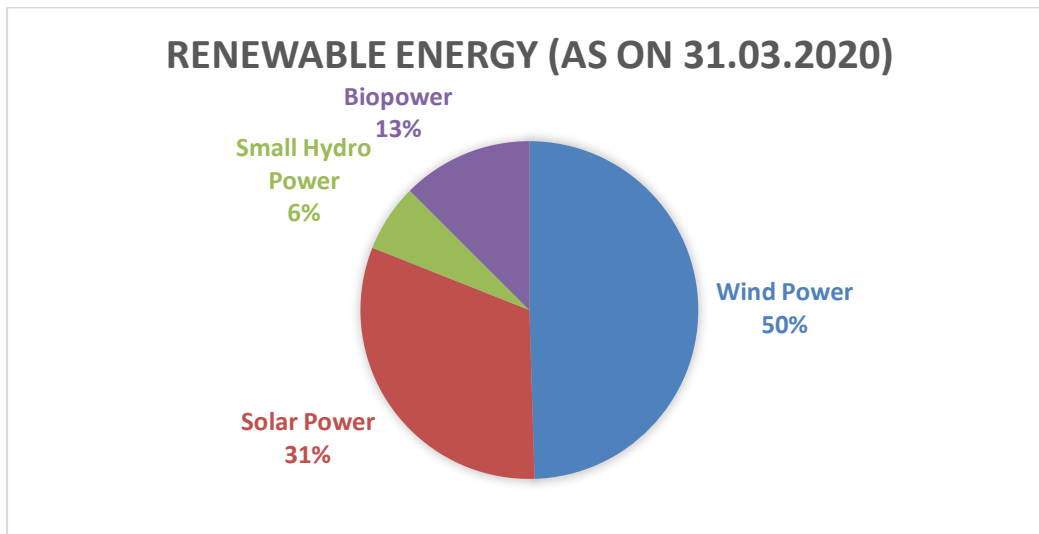
RE potential and growth in India

India is one of the countries with large production of energy from renewable sources. As of 31 March 2020, 35.86% of India's installed electricity generation capacity is from renewable sources, generating 21.22% of total utility electricity in the country. India aims to have 275 GW from renewable energy, 72 GW of hydroelectricity, 15 GW of nuclear energy and nearly 100 GW from “other zero emission” sources. In the quarter ending September 2019, India's total renewable electricity capacity (including large hydro) was 130.68 GW. This represents 35.7% of the total installed electricity generation capacity in the country, which is around 366 GW.

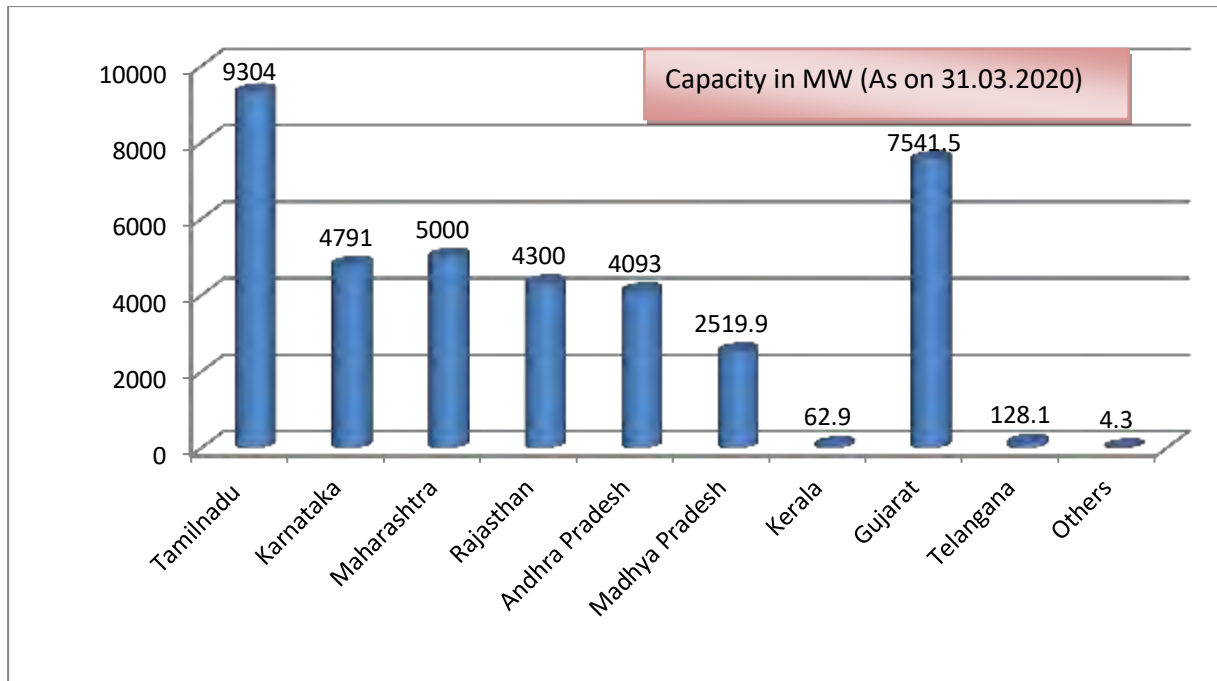
The Indian renewable energy sector is the second most attractive renewable energy market in the world with policies focused on the renewable energy sector by MNRE targeting to achieve 175 GW by 2022, comprising 100 GW of solar, 60 GW of wind and 15 GW of other RE technologies. The country ranks

fourth in the world in terms of total installed wind power capacity. The focus of Government of India has shifted to clean energy after it ratified the Paris Agreement. With the increased support of government and improved economics, the sector has become attractive from investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

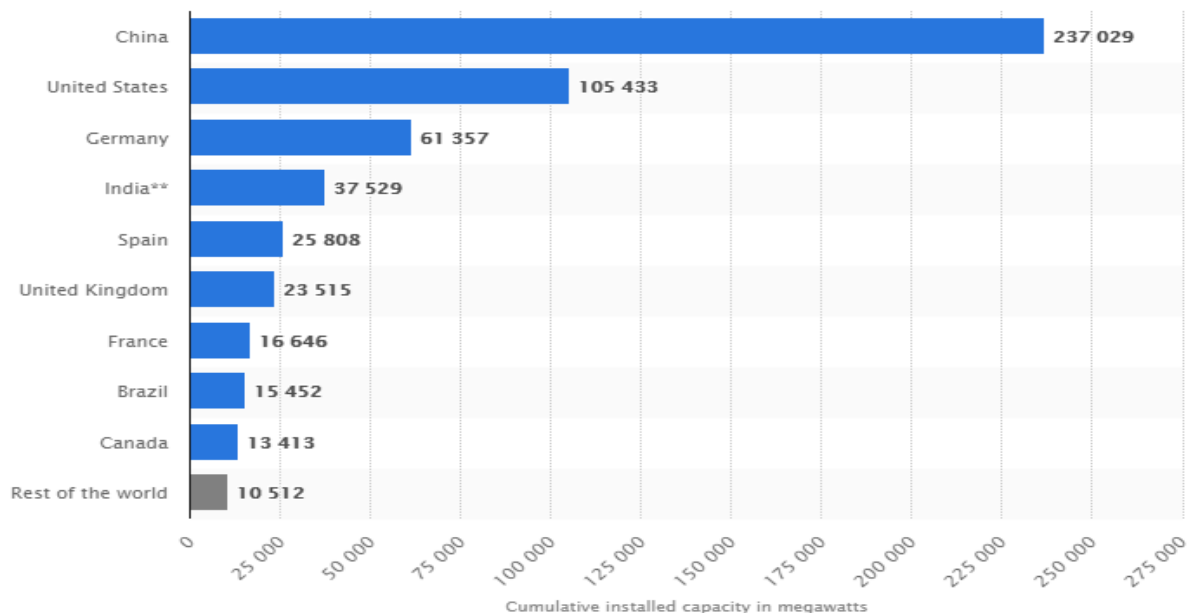
As on March 31, 2020, the installed renewable energy capacity stood at 87.02 GW, of which, solar and wind comprised 34.62 GW and 37.69 GW, respectively. Biomass and small hydro power constituted 9.87 GW and 4.68 GW, respectively. Government plans to establish renewable energy capacity of 500 GW by 2030.



Wind Installation – India



Global Wind Installation



The potential of wind energy around the world is immense, and wind power can often be accessed from remote places, as seen in the [rise of offshore wind energy](#). Offshore wind power plays an

increasingly important role in the global market, accounting for a record one-tenth of additions in 2019.

The global wind power market expanded 19% in 2019, with around 60 GW of new capacity added to the world's electric grids (including more than 54 GW onshore and over 6 GW offshore). This was the second largest annual increase in capacity ever, and followed three consecutive years of decline after the peak in 2015 (63.8 GW).

The year's newly installed wind power capacity increased the global total by 10% to around 651 GW overall (621 GW onshore and the rest offshore)

PLF (%) – INDIA

Post 2010 PLFs gradually increased due to higher capacity turbines of MW class were installed in India with latest technology to an average of around 25 to 26% PLF annually. The PLF also is highly state & site specific and depends on evacuation facilities available & the DISCOMs scheduling the wind power for evacuating.

CORPORATE SOCIAL RESPONSIBILITY (CSR activity)

The company has actively participated in CSR activities through contributions by providing essential items like food grains, cereals, and milk to the COVID-19 affected locals and continues to provide food donation support during local festivals and cultural activities in the site areas to encourage local population participation and encourage the local cultural heritage.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The Inventory as on 31/03/2019 was INR 1.32 lakhs as against the inventory of INR 8.62 lakhs as on 31/03/2020 registering an increase of 553% as compared to the previous financial year. The variance is due to unsold stock is more than the previous year.

The Net Profit is more by 100% as compared to previous financial year. The positive variance is on account of decrease in finance cost and the profit before exceptional item was taken into account.

NUMBER OF MEETINGS OF THE BOARD

Indowind Energy Limited held 4 Board Meetings during the year ended 31st March 2020. These were on 30th May 2019, 6th August 2019, 7th November 2019, and 14th February 2020.

REAPPOINTMENT OF DIRECTORS RETIRING BY ROTATION

In terms of Section 152 of the Companies Act, 2013, Mr. Bala V Kutti (DIN 00765036) liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors based on the recommendation of Nomination and Remuneration Committee, has recommended the re-appointment of Mr. Bala V Kutti (DIN 00765036) retiring by rotation.

REAPPOINTMENT OF INDEPENDENT DIRECTOR AND TO CONTINUE THE DIRECTORSHIP IRRESPECTIVE OF THE AGE

Mr. Niranjan R Jagtap was appointed as Independent Director to hold the office for 5 consecutive years until the conclusion of the 25th AGM of the company. Pursuant to the provisions of the Act and SEBI (LODR) Regulation, based on the recommendation of the NRC, the Board recommends for the approval of the members through special resolution at the ensuing AGM reappointment of Mr. Niranjan R Jagtap as Independent Director for another 5 consecutive years and to continue the directorship irrespective of the age from conclusion of this AGM until the conclusion of 30th AGM of the company.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS 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;

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 31st March 2020 and profit / Loss for the Company for the year ended 31st March 2020.
3. The Directors have taken proper and sufficient care in the maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. The Directors, in the case of listed company, 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.

THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2019-20 ARE GIVEN BELOW

Name of the Director	Ratio to Median Employee Remuneration
Mr. Bala V Kutti	0.60
Mr. Niranjan R. Jagtap	1.0
Dr. K.R. Shyamsundar	1.0
Mr. K.S.Ravindranath	14.56
Ms. Alice Chikkara	0.20

THE PERCENTAGE INCREASE IN REMUNERATION OF DIRECTORS, KMP AND MEDIAN EMPLOYEE FOR THE FINANCIAL YEAR 2019-20

There is 40% increase in remuneration to the Company Secretary of the Company during the financial year 2019-20.

DETAILS OF CHANGE IN RETURN ON NET WORTH

Return on Net worth was 6% for 2018-19 and 0.03% for 2019-20.

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8. 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 31st March 2020 and profit / Loss for the Company for the year ended 31st March 2020.
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10. The Directors have prepared the annual accounts on a going concern basis.
11. The Directors, in the case of listed company, 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
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THE PERCENTAGE INCREASE IN REMUNERATION OF DIRECTORS, KMP AND MEDIAN EMPLOYEE FOR THE FINANCIAL YEAR 2019-20

There is 40% increase in remuneration to the Company Secretary of the Company during the financial year 2019-20.

THE KEY PARAMETERS FOR ANY VARIABLE COMPONENT OF REMUNERATION AVAILED BY THE DIRECTORS

None

THE RATIO OF THE REMUNERATION OF THE HIGHEST PAID DIRECTOR TO THAT OF THE EMPLOYEES WHO ARE NOT DIRECTORS BUT RECEIVE REMUNERATION IN EXCESS OF THE HIGHEST PAID DIRECTOR DURING THE YEAR

None

LIST OF EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION MORE THAN THE STIPULATED AMOUNT MENTIONED UNDER RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES 2014

None

AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY

The Company affirms remuneration is as per the remuneration policy of the Company.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The details are available in the website of the Company at 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. N.K.Haribabu has been appointed as Chief Financial Officer with effect from 30th May, 2019 of the company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There is no loan / Guarantee outstanding as on 31.03.2020. With respect to investments, details are provided under note No.6 of notes on accounts under non-current investments.

BUSINESS RISK MANAGEMENT:

The details of which are available in the website of the Company at www.indowind.com

BOARD EVALUATION:

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its own performance and that of its committees and the individual Directors. Schedule IV of the Companies Act, 2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Directors being evaluated.

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and SEBI (LODR) regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its 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, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its mandatory shareholders etc. 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 POLICY

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.

FINANCIAL HIGHLIGHTS AND PERFORMANCE

INR. In Million

PARTICULARS	2019-20	2018-19
Total Income	17.33	14.14
Total Expenses	17.25	14.10
Profit before Tax	0.08	0.04
Tax	0.02	0.01
Profit After Tax	0.06	0.03

INDUSTRIAL RELATIONS AND PARTICULARS OF EMPLOYEES

As of 31st March 2020, Your Company has 65 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, 2020	March 31, 2019	% Change
Market Capitalization (Rs.)	15,43,55,356	50,16,54,907	-69.23
Price earnings ratio	172	4.08	-59.24

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 31.03.2020, Rs. 1.72/- difference (Rs. 63.28/-) (97.35%)

CORPORATE GOVERNANCE

Your Company has complied with the requirements regarding Corporate Governance as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. A Report on the Corporate Governance in this regard is made as a part of this Annual Report and a certificate from the Auditors of your company regarding compliance of the conditions of the Corporate Governance is attached to this report.

LISTING OF EQUITY SHARES

Your Company's equity shares are continued to be listed on the Bombay Stock Exchange Ltd, Mumbai and National Stock Exchange of India Ltd., Mumbai.

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) of their report dt 07th August, 2020 your directors wish to state as under:

Exim Bank had sanctioned a Term Loan of Euro 18 Mn / USD 25 Mn (INR of about 113 crores) during June 2010 for setting up a 20 MW project. The exchange rate as per the projected cost and means of finance was Rs.45.20/USD. The company had also executed a Trust and Retention Account (TRA) with Exim Bank defining the priority order for 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.

The bank had released Rs. 44 crores in May 2011 and started delaying further payments. This resulted in completion of the 6 MW project with huge interest costs and other charges debited by the bank. The company offered to repay the loan without interest if the bank is not serious in completing the full project. Subsequently, the bank agreed to release further payments by taking additional security deposit and lien on 40 lakh shares of the company. However, the bank released only 10 crore for completing additional 2 MW project and had unilaterally debited about INR 1 crore towards penalty and withheld a deposit of INR 3.3 crore meant for the balance 12 mw project. The company had objected to non-release of funds and also demanded to release lien on shares, release of FD to avoid financial burden on the project and damage to equity returns as the bank was not paying interest on the FD in line with the cost of funds. The company objected, as the additional costs imposed due to fees, penalty, FD etc. and not allowing the company to complete the balance project in time could affect long term IRR and financial returns from the project to the bank & shareholders.

The completed 8 MW project was to earn an IRR of about 9.2% only based on the supplier's long term performance guarantee and the tariff revision from Rs. 3.40 to Rs. 4.40 from the year 2019 as per the PPA with BESCOM. The balance 12 MW project in Tamil Nadu with private sale arrangement was to earn higher IRR of 16% and the combined project target IRR of 12% was to offset the expected rupee depreciation costs of about 5% pa and loan interest rate of 4.4%. In spite of repeated representations by the company to bank to release balance funds and adhere to the TRA for apportioning the project collections, at a sustainable interest rate and repayments, pending completion of the balance project, the bank started threatening with penal interest rate of 16%. Hence, the company was forced to freeze the project account with a principal loan balance at Rs. 18 crore disputed interest account balance at Rs. 22 crore, disputed exchange loss provision at Rs. 28 crores, without agreeing to unsustainable penal charges etc., against equity returns claims on FD, fees paid, project preliminary expenses incurred on 12 mw costs and revenue loss claim along with accrued interests, in line with the claims demanded by the bank.

Since the bank was not addressing the grievances to set-right its own project issues and complicating it further with its own unilateral decisions, the company had to approach the Hon'ble High Court of Mumbai for speedy remedy.

However, the company continues to discuss with the bank for early resolution to close the dispute and hopes it can be resolved if the bank agrees to adhere to the TRA and charge interest and repayments in line with the project earnings over the life of the assets of about 30 years and release balance funds to the project. Since the bank has already been repaid Rs. 40 crores on its partial disbursement of Rs. 58 crores in the last 8 years, the company has also offered to settle the loan account without interest & forex currency loss to offset costs & damages to equity investment by the company in the project due to bank's failure in releasing full amount in time, to complete the full project.

As regards Auditors' basis of qualified opinion mentioned in para 3(ii) of their report dt 07th August, 2020 your directors wish to state as under:

The company has entered into a long term supply cum O&M agreement with Suzlon Energy Limited for an 18 MW project at Chitradurga, Karnataka with IREDA and Exim Bank term loan. Suzlon had provided a generation guarantee and commitment letter to IREDA for generation of 42 lakh units p.a. per machine. @ 95% machine availability.

Suzlon was to deposit this shortfall amount into the project TRA a/c to enable the company to meet the bank loan dues. However, Suzlon was not paying the dues in time and hence the legal proceedings are going on. The company has also initiated arbitration proceedings (for the second time) against the supplier for claiming shortfall in generation.

As regards Auditors' basis of qualified opinion mentioned in para 3(iii) of their report dt. 07th August, 2020 your directors wish to state as under:

The company was to complete the repowering of 2.5 Mw machines by obtaining necessary approval from TANGEDCO which was getting delayed due the pending policy guidelines at TANGEDCO. However, during the year repowering of machines having capacity of 1.5 Mw has been completed. Repowering of balance 1 Mw wind farm is likely to be completed during the course of the current year.

As regards Auditors' basis of qualified opinion mentioned in para 3(iv) of their report dt. 07th August, 2020 your directors wish to state as under:

The company had provided compounded interest income on delayed payments @ 12% from TANGEDCO at Rs. 244 Lakhs as per the Power Purchase Agreement. However, TANGEDCO did not pay the dues in time. Even after the Hon'ble Supreme Court's order to pay interest dues @ 12%, TANGEDCO got an APTEL order to pay 10% which was also not implemented. Consequently, TANGEDCO offered a proposal wherein the interest dues would be paid if the company is willing to take 6% simple interest rate. Since the company is doing business with TANGEDCO for more than 25 years and since it has to continue to work with the TANGEDCO in future and considering their final decision, the company accepted to take the settlement @ 6% amounting to Rs. 64 lakhs as

against the amount due, on the condition that in case TANGEDCO pays interest to any claimant at rate higher than 6% consequent to any direction of any Court, Indowind shall be entitled to the same.

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. 41 of the Notes on Accounts and with respect to transactions with related parties, details are given under Note No. 41 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, Practising Company Secretary 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 is taking all initiatives to find appropriate solution, improvise the related party transaction policies and by updating website.

ADEQUACY OF INTERNAL CONTROL

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

M/s. Kailash Jain & 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 LINTIED

Place: Chennai-34
Date: 7th August, 2020

Bala V Kutti
Chairman

ANNEXURE-1
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2020
[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)	96.52 %

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-600034.	U40103TN2010PTC077068	Subsidiary	51.05	2(87)

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

i) Category-wise Share Holding

Sr. No	Category of Shareholder	No. of Share held at the beginning of the year: 30/03/2019				No. of Share held at the end of the year: 30/03/2019				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group										
1	Indian									
a)	INDIVIDUAL / HUF	7797490	0	7797490	8.69	7797490	0	7797490	8.69	0.00
b)	CENTRAL / STATE	0	0	0	0.00	0	0	0	0.00	0.00

	GOVERNMENT (S)									
c)	BODIES CORPORATE	36358186	0	36358186	40.51	36608186	0	36608186	40.79	0.28
d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e)	ANY OTHERS (Specify)									
1	GROUP COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	44155676	0	44155676	49.20	44405676	0	44405676	49.48	0.28
(A) Shareholding of Promoter and Promoter Group										
2	Foreign									
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
	SUB TOTAL :	756000	0	756000	0.84	756000	0	756000	0.84	0.00
	Total Promoter Shareholding	44911676	0	44911676	50.05	45161676	0	45161676	50.32	0.28
(B) Public shareholding										
3	Institutions									
a)	CENTRAL / STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
b)	FINANCIAL INSTITUTIONS / BANKS	226050	0	226050	0.25	1563	0	1563	0.00	(0.25)
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)	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g)	FOREIGN VENTURE 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
	SUB TOTAL :	226050	0	226050	0.25	1563	0	1563	0.00	(0.25)
(B) Public shareholding										
4	Non-institutions									
a)	BODIES CORPORATE	3437704	0	3437704	3.83	2274740	0	2274740	2.53	(1.30)
b)	INDIVIDUAL									
1	(CAPITAL UPTO TO Rs. 1 Lakh)	21214917	20048	21234965	23.66	20802632	20048	20822680	23.20	(0.46)
2	(CAPITAL GREATER THAN Rs. 1 Lakh)	17325271	14000	17339271	19.32	18755135	14000	18769135	20.91	1.59
c)	ANY OTHERS (Specify)									
1	HINDU UNDIVIDED FAMILY	1501509	0	1501509	1.67	1475133	0	1475133	1.64	(0.03)
2	TRUSTS	10000	0	10000	0.01	10000	0	10000	0.01	0.00
3	CLEARING MEMBER	122139	0	122139	0.14	181632	0	181632	0.20	0.07
4	NON RESIDENT INDIANS (NRI)	11687	0	11687	0.01	0	0	0	0.00	(0.01)
5	NON RESIDENT INDIANS (REPAT)	804341	0	804341	0.90	815182	0	815182	0.91	0.01
6	NON RESIDENT INDIANS (NON REPAT)	139844	0	139844	0.16	228245	0	228245	0.25	0.10
7	DIRECTORS RELATIVES	1400	0	1400	0.00	1400	0	1400	0.00	0.00
8	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
9	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
10	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
11	IEPF	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)	NBFCs	900	0	900	0.00	100	0	100	0.00	(0.00)

	registered with RBI									
	SUB TOTAL :	44569712	34048	44603760	49.70	44544199	34048	44578247	49.67	(0.03)
	Total Public Shareholding	44795762	34048	44829810	49.95	44545762	34048	44579810	49.68	(0.28)
(C) Shares held by Custodians and against which Depository Receipts have been issued										
5										
f)	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
12	PROMOTER AND PROMOTER GROUP	0	0	0	0.00	0	0	0	0.00	0.00
13	Public	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL	89707438	34048	89741486	100.00	89707438	34048	89741486	100.00	(0.00)

ii) Shareholding of Promoters

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change
		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	
1	BALA VENCKAT KUTTI	50000	0.0557	0.0000	50000	0.0557	0.0000	0.0000
2	INDUS CAPITAL PRIVATE LIMITED	495000	0.5516	0.0000	745000	0.8302	0.0000	0.2786
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 VENCKAT KUTTI	1350000	1.5043	0.0000	1350000	1.5043	0.0000	0.0000
6	BALA VENCKAT 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 VENCKAT 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	49.23	8125448	9.0543	49.23	0.0000
12	SOURA CAPITAL PRIVATE LIMITED	19170320	21.3617	0.0000	19170320	21.3617	0.0000	0.0000
	Total	44911676	50.0454		45161676	50.3240		0.2786

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

Indus Capital Private Limited	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 the Company	% of total shares of the Company
At the beginning of the year				
30-Mar-2019	495000	0.5516	495000	0.5516
31-Aug-2019		0.0	495000	0
06-Sep-2019		0.5516	495000	0.5516
18-Sep-2019		0.5794	520000	0.5794
17-01-2020		0.8302	745000	0.8302
31-Mar-2020	745000	0.8302	745000	0.8302
Total	745000			

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 (30/03/2019) / end of the year (31/03/2020)	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total Shares of the Company
1	COMMENDAM INVESTMENTS PRIVATE LIMITED	1641999	30-Mar-2019	0		1641999	1.83
			05-Apr-2019	30001	Buy	1672000	1.86
			31-Aug-2019	-1672000	Sell	0	0.00
			06-Sep-2019	1672000	Buy	1672000	1.86
		1672000	31-Mar-2020	0		1672000	1.86
2	DEEPAK NARAIN JADHAV	1080520	30-Mar-2019	0		1080520	1.20
			31-Aug-2019	-1080520	Sell	0	0.00
			06-Sep-2019	1080520	Buy	1080520	1.20
		1080520	31-Mar-2020	0		1080520	1.20
3	SHAKUNTLA GUPTA	645616	30-Mar-2019	0		645616	0.72
			31-Aug-2019	-645616	Sell	0	0.00
			06-Sep-2019	645616	Buy	645616	0.72
		645616	31-Mar-2020	0		645616	0.72
4	NARENDER KUMAR	337833	30-Mar-2019	0		337833	0.38
			24-May-2019	131457	Buy	469290	0.52
			31-Aug-2019	-469290	Sell	0	0.00
			06-Sep-2019	492789	Buy	492789	0.55
			30-Sep-2019	14000	Buy	506789	0.56
			18-Oct-2019	19566	Buy	526355	0.59
			13-Dec-2019	17500	Buy	543855	0.61
		543855	31-Mar-2020	0		543855	0.61
5	GANESH VISHNU NALAWADE	500000	30-Mar-2019	0		500000	0.56
			31-Aug-2019	-500000	Sell	0	0.00
			06-Sep-2019	500000	Buy	500000	0.56

		500000	31-Mar-2020	0		500000	0.56
6	AJIT SINGH	460000	30-Mar-2019	0		460000	0.51
			19-Apr-2019	10000	Buy	470000	0.52
			14-Jun-2019	-1250	Sell	468750	0.52
			28-Jun-2019	1250	Buy	470000	0.52
			05-Jul-2019	10000	Buy	480000	0.53
			26-Jul-2019	28784	Buy	508784	0.57
			02-Aug-2019	1216	Buy	510000	0.57
			31-Aug-2019	-510000	Sell	0	0.00
			06-Sep-2019	510000	Buy	510000	0.57
			20-Sep-2019	-10000	Sell	500000	0.56
			27-Sep-2019	-20000	Sell	480000	0.53
			11-Oct-2019	-30000	Sell	450000	0.50
			01-Nov-2019	-20000	Sell	430000	0.48
		15-Nov-2019	-10000	Sell	420000	0.47	
		420000	31-Mar-2020	0		420000	0.47
7	REKHA DEEPAK JADHAV	423015	30-Mar-2019	0		423015	0.47
			31-Aug-2019	-423015	Sell	0	0.00
			06-Sep-2019	423015	Buy	423015	0.47
				423015	31-Mar-2020	0	
8	K R GUPTA	414447	30-Mar-2019	0		414447	0.46
			31-Aug-2019	-414447	Sell	0	0.00
			06-Sep-2019	414447	Buy	414447	0.46
				414447	31-Mar-2020	0	
9	EKTA RAJUL PATEL	367609	30-Mar-2019	0		367609	0.41
			31-Aug-2019	-367609	Sell	0	0.00
			06-Sep-2019	367609	Buy	367609	0.41
			25-Oct-2019	5615	Buy	373224	0.42
				373224	31-Mar-2020	0	
10	KIRTI MOHANLAL JAIN	181708	30-Mar-2019	0		181708	0.20
			19-Apr-2019	73000	Buy	254708	0.28
			03-May-2019	6500	Buy	261208	0.29
			16-Aug-2019	-100	Sell	261108	0.29
			31-Aug-2019	-261108	Sell	0	0.00
			06-Sep-2019	261108	Buy	261108	0.29
			27-Sep-2019	-300	Sell	260808	0.29
			30-Sep-2019	18812	Buy	279620	0.31
			18-Oct-2019	10000	Buy	289620	0.32
			25-Oct-2019	5000	Buy	294620	0.33
			08-Nov-2019	1000	Buy	295620	0.33
			27-Dec-2019	-4000	Sell	291620	0.33
				340648	31-Dec-2019	49028	Buy
		340648	31-Mar-2020	0		340648	0.38
11	SATHYA S	263170	30-Mar-2019	0		263170	0.29
			31-Aug-2019	-263170	Sell	0	0.00
			06-Sep-2019	263170	Buy	263170	0.29
				263170	31-Mar-2020	0	

v) Shareholding of Directors and Key Managerial Personnel

There is no change in Directors' Shareholding between 01.04.2019 to 31.03.2020

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				
Mr. Bala V Kutti, Chairman				
At the beginning of the year	5437495	6.06	5437495	6.06
At the end of the year	5437495	6.06	5437495	6.06
Mr. K.S.Ravindranath, Whole Time Director & KMP				
At the beginning of the year	1784995	1.99	1784995	1.99
At the end of the year	1784995	1.99	1784995	1.99
Mr. Niranjan R jagtap, Director	-	-	-	-
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Mr. K.R.Shyamsundar				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Ms. Alice chhikara				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Mr. N.K.Haribabu, CFO				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
Ms. Harsha J				
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 as of 31.03.2020

(Amount in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Crores
Indebtedness at the beginning 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	0.00	-	-	0.00
Total (i+ii+iii)	101.19	-	-	101.19
Change in Indebtedness during the financial year				
Addition	7.41	-	-	7.41

Reduction	17.81	-	-	17.81
Net Change	(10.40)	-	-	(10.40)
Indebtedness at the end of the financial year				
i) Principal Amount	89.79	-	-	89.79
ii) Interest due but not paid	1.01	-	-	1.01
iii) Interest accrued but not due	0.00	-	-	0.00
Total (i+ii+iii)	90.80	-	-	90.80

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Mr.K.S.Ravindranath Whole Time Director	Total Amount (in.Lakhs)
	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....	-	-
	Total (A)	14.56	14.56

B. Remuneration to other Directors:

1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount (in. Lakhs)
		Dr. K.R.Shyamsundar	Mr.Niranjan R Jagtap	
1	-Fee for attending Board/Committee Meetings	1.0	1.0	2.0
2	-Commission	-	-	-
3	- Others, please specify	-	-	-
	Total (B)(1)	1.0	1.0	2.0

2. Other Non-Executive Directors

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount (in. Lakhs)
		Mr. Bala v Kutti	Ms.Alice Chhikara	
1	-Fee for attending Board/Committee Meetings	0.60	0.20	0.80
2	-Commission	-	-	-
3	- Others, please specify	-	-	
	Total (B)(1)	0.60	0.20	0.80

C. Remuneration to Key Managerial Personnel other than WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		Mr.N.K.Haribabu Chief Financial Officer	Ms.Harsha J Company Secretary	Total Amount (in.Lakhs)
1	Gross Salary	12.50	6.65	19.15

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties punishment or compounding of offences during the year ended 31st March, 2020

For and on behalf of Board of directors of
INDOWIND ENERGY LMITIED

Place: Chennai-34
Date: 7th August, 2020

Bala V Kutti
Chairman

ANNEXURE- 2

Form 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 1 st April, 2019 To 31 st March, 2020
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. 7,69,406
6.	Total assets	Rs.7,23,12,394
7.	Total Liabilities	Rs.5,81,73,388
8.	Investments	-
9.	Turnover	Rs.1,73,27,048
10.	Profit before taxation	Rs. 76,791
11.	Provision for taxation	Rs.19,966
12.	Profit after taxation	Rs.56,825
13.	Proposed Dividend	NIL
14.	% of shareholding	51.05%

For and on behalf of Board of directors of
INDOWIND ENERGY LIMITED

Place: Chennai-34
Date: 7th August, 2020

Bala V Kutti
Chairman

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)

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 arm's 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 31st March, 2020 which were not at Arm's length basis.

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

Name of the Related Party	Nature of Relationship	Salient terms	Amount (Rs)
Indowind Power Private Limited	Subsidiary	Power share income	93,936,793
Ind Eco Ventures Limited	Associates	Power share income	2,334,818
Everon Power Pltd	Associates	Power share income	1,889,816
Indus Nutri Power Pvt Limited	Associates	Power share income	4,151,344
Loyal Credit and Investments Ltd	Associates	Power share income	218,080
Indowind Power Private Limited	Subsidiary	Investments	6,825,000
Balance outstanding at the end of the year			
Ind Eco ventures Ltd	Associate	Capital Advances - Acquisition of 6Mw Wind project	398,915,233
Everon Power Ltd	Associate	Trade Payables	364,786
Indowind Power Private Limited	Associate	Other Non- Current Assets	52,881,288
Loyal Credit and Investments Ltd	Associate	Other Non- Current Assets	2,081,031
Ind Eco Ventures Limited	Associate	Other Non- Current Assets	135,198,556

For and on behalf of Board of directors of
INDOWIND ENERGY LIMITED

Place: Chennai-34
Date: 7th August, 2020

Bala V Kutti
Chairman

ANNEXURE 4
Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[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, 4th 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** (here in after 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, 2020** 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.

During the year on account of COVID i.e. Corona Virus, the company has reported that they have lockdown their office as per the instructions of Central Government/ State Government. The company is expected to announce its financial implications in due course.

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, 2020** 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;

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;
- (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;
- (v) The other laws as may be applicable specifically to the company
 - (a) Electricity Act, 2003
 - (b) Applicable labour laws
 - (c) The payment of gratuity act .1972
 - (d) Employees Provident funds and Miscellaneous provisions act,1952
 - (e) Employees state insurance act, 1948
 - (f) The employees Compensation act ,1923
 - (g) Forest Conservation Act,1980
 - (h) Regulations & Guidelines issued by Ministry of Environment, Forest and Climate Change, Government of India
 - (i) Regulations & Guidelines issued by Ministry of Water Resources, Government of India
 - (j) The Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder
The Air (Prevention and Control of Pollution) Act, 1981 and rules made there under
Environment (Protection) Act, 1986 and rules made thereunder
 - (k) 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:

- (a) Certain forms under Companies Act, 2013 is required to be filed.
- (b) The Company must improvise the Related Party Transaction policies as required under Section 188 of the Companies Act, 2013.
- (c) The policies placed on the website needs to be reviewed and updated.

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.

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 further report that during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the company's affairs.

I further report that the SEBI has granted temporary relaxations with respect to certain compliances to be submitted by the Companies due to the impact of COVID-19 Virus Pandemic in India for the last quarter of the audit period.

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.

Place: Chennai
Date: 29th July, 2020

Signature:
R.Kannan
Practicing Company Secretary
FCS No: 6718
C PNo: 3363
UDIN: F006718B000650779

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[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, 4th 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.

Place: Chennai
Date: 29th July, 2020

Signature:
R.Kannan
Practicing Company Secretary
FCS No:6718
C P No:3363
UDIN No. F006718B000650779

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 4 Board Meetings for the year ended 31st March 2020. These were on 30th May 2019, 6th August 2019, 7th November 2019, and 14th February 2020.

b) DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIP HELD

Table: 1

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

					Investment Ltd ➤ M/s. Ever On Power Ltd ➤ M/s Quantum Limited ➤ The Council of EU Chambers of Commerce in India
Mr. K.S. Ravindranath	Whole time Director	4	4	Yes	NIL
Mr. Niranjan R Jagtap	Independent Director	4	4	Yes	➤ M/s. Ind Eco Ventures 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	4	1	Yes	➤ M/s. Indus Finance Ltd
Dr.K.R.Shyam sundar	Independent Director	4	4	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 31st March, 2020:

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.Shyam sundar	M/s.Indowind Energy Ltd.,	Independent	3	0

	M/s. Indus Finance Ltd.,	Director	3	0
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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 Director fulfills the conditions specified as per Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

d) A Chart or A Matrix setting out Skills/Expertise/Competence of the Board of Directors

Effective Governance are leaders in establishing robust director competency frameworks that can be used by boards to identify director skill gaps and ensure the skills of the current directors are being properly utilized.

Building the right board requires an understanding of director competencies, which involves consideration of the directors' experience, skills, attributes and capabilities. Director competencies encompass two distinct areas:

- (i) Technical competencies and
- (ii) Behavioral competencies.

Technical competencies are a director's technical skills and experience such as accounting or legal skills, industry knowledge, and experience in strategic planning and corporate governance.

Behavioural competencies are a director's capabilities and personal attributes and include, for example, linkages to the "ownership"; an ability to positively influence people and situations; an ability to assimilate and synthesize complex information; time availability; honesty and integrity; and high ethical standards.

Thus, the Board of Directors of your Company has identified the following list of core skills/expertise/competencies required for each Director(s) in the context of its business(es) and sector(s) for it to function effectively and those available with the board.

- (1) Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
- (2) Monitoring the effectiveness of governance practices and making changes as needed.

- (3) Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
- (4) Aligning key managerial personnel and remuneration of board of directors with the longer-term interests of the company and its shareholders.
- (5) Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
- (6) Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.
- (7) Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- (8) Overseeing the process of disclosure and communications.
- (9) Monitoring and reviewing board of director's evaluation framework.

The following matrix table describes the Director, who has the skills/expertise/competencies identified by the board of directors

Sl. No	Name of the Directors	1	2	3	4	5	6	7	8	9
1	Mr. Bala V Kutty	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	K S Ravindranath	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr.Niranjan R Jagtap	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Ms.Alice Chikara	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Mr.K.R.Shyam Sundar	✓	✓	✓	✓	✓	✓	✓	✓	✓

Code of Conduct – Regulation 26(3)

The company addresses the highest standards of business ethics, compliance with statutory and legal requirements and commitments to transparency in business dealings. The Board of Directors has framed Code of Conduct for Board Members and Senior Management and the same has been communicated to them.

This Code is applicable to all Directors and Senior Management Executives. The Code impresses upon Directors and Senior Management Executives to uphold the interest of the company and its shareholders and to endeavour to fulfil all the fiduciary obligations towards them.

All Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, Integrity, fairness and ethical conduct and shall exercise utmost good faith due care and

integrity in performing their duties. The code has been posted on the website of the company <http://www.indowind.com/download/code.pdf>

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 31st March 2020 i.e. 30th May 2019, 6th August 2019, 7th November 2019 and 14th February 2020 and the details of the attendance of the Members are as follows:

Name of Director	No. of Meetings attended
Mr. Niranjana R Jagtap	4
Mr. K.S Ravindranath	4
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

The Board has constituted Nomination and Remuneration Committee consists of the following members of the Board Mr. Niranjana 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 1 time during the year ended 31st March 2020 i.e. 30th May, 2019 and the details of the attendance of the Members are as follows:

Name of the Director	No. of meetings attended
Mr. Niranjana R. Jagtap	1
Dr. K.R. Shyamsundar	1
Mr. Bala V Kutti	1

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 Executive and Non-Executive Directors and 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

ii. None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees.

iii. 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	14.56
Total	14.56

- 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.3,00,000 was paid to the Non-Executive Directors as Sitting Fees as stated below:

- Mr.Niranjan R Jagtap Rs.1,00,000
- Mr.K.R.Shyamsundar Rs.1,00,000
- Mr.Bala V Kutti Rs.80,000
- Ms.Alice Chhikara Rs.20,000

6. STAKE HOLDERS' GREIVANCES COMMITTEE

As per section 178(5) of the Companies Act, 2013 the Board of Directors of the company which consist of more than one thousand shareholders, debenture holders, deposit holders or any other security holder at any time during a financial year shall constitute Stakeholder's Relationship Committee consisting of a Chairman who shall be a non-executive director and such other member as decided by the board. In addition to 178(5) of the Companies Act, 2013 this committee complies with Regulation 20 of SEBI (LODR) Regulations, 2015. 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 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.

As per Regulation 20 of SEBI (LODR) Regulations, 2015 Chairman of the Stakeholder's Relationship Committee shall be present in the Annual General Meeting to answer the queries to the shareholders.

The Stakeholder's Relationship Committee met on 14th February 2020.

The Company has received nil complaint during the financial year ended 31st March 2020. 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
2018-19	The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai- 600 014.	18.09.2019	4.00 P.M
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

(b) Special Resolutions

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

Date of AGM	Subject
18.09.2019	No Special Resolution was passed
27.09.2018	1. Re-appointment of Mr.K.S.Ravindranath,(DIN: 00848817) as Whole Time Director with remuneration 2. 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

(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. 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.

9. GENERAL SHAREHOLDER INFORMATION:

(a) 25th Annual General Meeting

Date	29 th September, 2020
Time	4.00 PM
E-Annual General Meeting	E-Annual General Meeting has been fixed on Wednesday 29 th September, 2020
Date of Book Closure	23.09.2019 to 29.09.2019 (both days Inclusive)
Registrar and Share Transfer Agent	M/s. Bigshare Services Pvt Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai 400 072. bhagwan@bigshareonline.com

(b) Financial year

The financial year of the Company commences on 1st April and ends on 31st March

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

Quarter ended	Date of results adoption
30 th June 2019	6 th August 2019
30 th September 2019	7 th November 2019
31 st December 2019	14 th February 2019
31 st March 2020	07 th August 2020

(c) Listing Details and Stock Code

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

Demat ISIN Number in NSDL and CDSL: INE227G01018

Listing fees upto 2020-21 have been paid to the aforesaid Stock exchanges.

(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 2019	6.40	5.05	11856.15	11549.10	6.30	5.15	39487.45	38460.25
May	5.45	4.35	12041.15	11108.30	5.40	4.06	40124.96	36956.10
June	5.15	3.65	12103.05	11625.10	4.90	3.64	40312.07	38870.96
July	4.55	2.90	11981.75	10999.40	4.52	2.96	40032.41	37128.26
August	3.60	2.55	11181.45	10637.15	3.62	2.51	37807.55	36102.35
September	3.60	2.80	11694.85	11390.80	3.34	2.86	39441.12	35987.80
October	3.35	2.35	11945.00	11090.15	3.15	2.65	40392.22	37415.83
November	3.45	2.70	12158.80	11802.65	3.40	2.73	41163.79	40014.23
December	3.40	2.75	12293.90	11832.30	3.25	2.86	41809.96	40135.37
January 2020	4.60	2.85	12430.50	11929.60	4.59	2.87	42273.87	40476.55
February	3.15	2.45	12246.70	11175.05	3.15	2.47	41709.30	38219.97
March	2.65	1.80	11433.00	7511.10	2.62	1.67	39083.17	25638.90

(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.

g) Distribution of Shareholding as on 31.03.2020

Range of Shares		Holders		Shares	
From	To	Number of Shareholders	Percentage of Total	Share Amount Rs.	Percentage of Total
1	5000	22426	70.60%	35349570	3.94%
5001	10000	3897	12.27%	33599770	3.74%
10001	20000	2345	7.38%	37222470	4.15%
20001	30000	862	2.71%	22522790	2.51%
30001	40000	507	1.60%	18524670	2.06%
40001	50000	460	1.45%	21978780	2.45%
50001	100000	688	2.17%	52321930	5.83%
100001 and above		579	1.82%	675894880	75.32%
Total		31764	100.00	897414860	100.00

Shareholding pattern of Directors as on 31.03.2020 is given below:

Name of Director	No. Of Shares held as on 31.3.2020	% 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. NiranjanR.Jagtap	NIL	NIL
Dr. K.R. Shyamsundar	NIL	NIL
Ms. Alice Chhikara	NIL	NIL
Total	72,22,490	8.05

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 31st March 2020 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. The winding up petition filed by New York Mellon on behalf of Section of the Bondholders against the Company before the Hon'ble High court of Madras under Section 433 (e) of the Companies Act 1956, the Proceedings of which has been under process since 2011, has been allowed by the Hon'ble High Court of Madras. The Company has filed appeal challenging the said admission, which has been numbered before the registry by the Company Hon'ble High Court of Madras

j) 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

k) Address For Correspondence:

<u>Registered Office:</u>	<u>Branch Offices</u>
Indowind Energy Limited “Kothari Building” 4 th Floor, 114, M.G. Road, Nungambakkam, Chennai – 600 034. Phone: 044-2833 0867/ 2833 1310 Fax: 044-2833 0208 Email: harsha@indowind.com	No. 603, Keshava Building, 6 th Floor, Bandra Kurla Complex, Bandra East, Mumbai – 600 051 No. 85, KamarajarSalai, Madurai – 625 009.

l) Credit Ratings:

The Company has obtained credit rating from CRISIL during the financial year ending 31st March, 2020. CRISIL has assigned **GRADE-3**, which indicates ‘Good 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 Mr.R.Kannan, a Company Secretary in practice, that none of the directors on the board of the company have 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.
- viii. The total fees paid to the statutory auditors is Rs.3,90,000 and Rs.30,000 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. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and 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 and 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 2019-20:
No. of complaints filed during the financial year is Nil.
No. of complaints disposed off during the financial year under review is Nil.
No. of complaints pending at the end of the financial year under review 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. Disclosure of material transactions to the Board by the Senior Management: No such transactions have taken place during the financial year 2019 – 2020.
15. Recommendation of the Committee: There are no such incidents or event where the board had not accepted any recommendation of any committee of board, which is mandatorily required, in reporting financial year 2019-20.

16. 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

Place: Chennai – 600 034
Date: 7th August, 2020

Bala V Kutti
Chairman

DECLARATION BY CHAIRMAN

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

For and on behalf of Board of directors of
INDOWIND ENERGY LIMITED

Place: Chennai – 600 034
Date: 7th August, 2020

Bala V Kutti
Chairman

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **M/s. Indowind Energy Limited**, for the year ended **31st March 2020**, 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

CA G Ramakrishnan
Partner
Membership No.209035

Place: Chennai
Date: 07th August, 2020

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 2020, 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.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- i) a) We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2020 where there is a legal dispute between the Company and 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. The Company has provided for the interest on the EXIM loan @4.4% (quarterly rests) after adjusting the fixed deposit, differential interest on fixed deposit and excess processing fee as against the 16% (monthly rests) rate of interest charged by the bank. The entire interest including the penal and additional interest for the year ended March 31, 2020 amounts to ₹ 1480.03 lakhs which is determined based on the closing balance confirmation of EXIM bank. Accordingly, had the interest including the penal and additional interest been provided in line with the bank in the financial results, the loss before exceptional items and tax for the year ended March 31, 2020 would have been higher by ₹ 1169.02 lakhs. Our opinion dated May 30, 2019 on the standalone financial results for the year ended March 31, 2019 and our review report dated February 14, 2020 on the standalone and consolidated financial results for the quarter ended December 31, 2019 was also qualified in respect of this matter.
- b) We refer to Note 28 to the accompanying Statement, the Company has recognised interest income to the tune of ₹ 564.47 lakhs and the same was adjusted in EXIM loan outstanding in the financial results for the year ended March 31, 2020. As the outcome of the case as referred above in point number (i)(a) is uncertain at this stage, the recognition of Contingencies in financial results 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. Accordingly, had

the interest income not been recognised, the profit before tax for the year ended March 31,2020 would have been lower by ₹ 564.47 lakhs.

c) We refer to Note 16 to the accompanying Statement, the Company's Long-term borrowings includes ₹ 7116.66 lakhs as at March 31,2020 representing the loan outstanding (principal and interest dues) obtained from EXIM bank. However, the closing balance confirmation of EXIM bank reflects ₹ 9505.97 lakhs as the total outstanding (principal and interest dues) as at March 31,2020. The Company has adjusted the fixed deposits charged against the loan from EXIM bank to the tune of ₹ 401.24 lakhs towards the principal outstanding during the year ended March 31,2020 whereas the bank had adjusted for ₹ 365.35 lakhs on February 22,2019 against the interest overdues. The derecognition of financial liability in part is not in accordance with the requirements of Ind AS 109 'Financial Instruments'. The Long term borrowings reflected under the Non-Current liabilities has been understated in the Statement to the tune of ₹ 2389.31 lakhs as at March 31,2020.

d) We refer to Note 7 to the accompanying Statement, the Company has accounted for reduction in the unamortized interest expense reflected under Other non-current financial assets to the extent of ₹ 46.74 lakhs which was adjusted in EXIM loan outstanding in the financial results for the year ended March 31,2020. The Company has taken a stand that the processing fees booked at the time of initial sanction of loan was based on the total amount sanctioned by the EXIM bank and 50% of the same has to be reversed since the entire sanctioned amount has not been released by the EXIM bank. However, there is no such clause mentioned in the terms and conditions stipulated in the sanction letter of the EXIM bank. Hence the stand taken by the Company for reversal of the processing fees by 50% is not correct. The Company has accounted for amortization of processing fee under finance cost which is less by ₹ 12.42 lakhs due to this reversal. Accordingly, had the reversal not been done, the loss before exceptional items and tax would have been more by ₹ 12.42 lakhs and other non-current financial assets is understated by ₹ 46.74 lakhs.

e) 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 impact on the company's ability to continue as a going concern. Our opinion dated May 30,2019 on the standalone financial results for the year ended March 31,2019 was also qualified in respect of this matter.

- ii) We refer to Note 4 to the accompanying Statement, the Company's Capital advances shown under Property, Plant & Equipment under Non-Current Asset of ₹ 3398.99 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased by the Company. The Honourable High Court of Madras (Single bench) has passed an order on 26.11.2019 setting aside the Arbitral Award dated 22.07.2017 which was passed in favour of the Company. The Company has filed an appeal with the Honourable High Court of Madras (Division bench) against the order referred above. In view of the uncertainty associated with the outcome of the case, we are unable to comment on the recoverability of the claim made by the Company. Our opinion dated May 30,2019 on the standalone financial results for the year ended March 31,2019 was also qualified in respect of this matter.

- iii) We refer to Note 8 to the accompanying Statement, the Company has other non-current assets with related parties of ₹ 1547.52 lakhs receivable in respect of sale of machines (2.50 MW consisting of 9 Machines) and expenses incurred with respect to make change / repowering of the 1.5 MW capacity. The repowering of the balance 1 MW is still pending and the Company has estimated that an amount of ₹ 250 lakhs is required to complete the repowering of the same. A condition was also stipulated in the agreement that this amount will be paid in 2 to 3 years' time without any interest from the date of the Company completing the repowering of the 2.5 MW project. Hence the provision is required. However, the management is of the view that the repowering of balance 1 MW will be carried out to make them in working condition and also collect part of the amount in the coming financial year. Our opinion dated May 30,2019 on the standalone financial results for the year ended March 31,2019 was also qualified in respect of this matter.
- iv) We refer to Note 10 to the accompanying Statement, the Company has trade receivables to the tune of ₹ 394.59 lakhs out of which ₹ 228.96 lakhs relates to Interest recoverable from TNEB Thirunelveli and BESCOM. The amount is lying as receivable for more than 3 years. As both are the Government entities, the collection of the said amount was expected to be certain. The Company has filed the petition before the Honourable Tamil Nadu Electricity Regulatory Commission claiming the interest recoverable from TNEB, Thirunelveli for which the outcome is unascertainable at this stage. In our opinion the chance of recoverability is low and the provision shall be made for the same. Had the provision been made in the financial results, the loss before exceptional items and tax for the year ended March 31,2020 would have been higher by ₹ 228.96 lakhs and the trade receivables is overstated by ₹ 228.96 lakhs.

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 Act 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.

Material Uncertainty related to Going Concern

We draw attention to the Note 16 of the accompanying Statement which reflects the FCCB Equity portion. The company is the defendant in a legal case filed vide C.P.No.172 of 2011 by the Trustees of the Foreign Currency Bond Holders (FCCB) for winding up of the Company before the Honourable High court of Madras. It is pertinent to note that the Honourable High Court of Madras has passed an order dated 20.05.2020 admitting the winding up petition and also the Company is restrained from transferring, alienating encumbering or dealing with its immovable assets. The Company has filed an appeal with the Division Bench of the Honourable High Court of Madras with the Prayer for order of Interim Stay of all further proceedings in pursuance to the Judgment passed on 20.05.2020.

The above indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on the appeal filed as referred above, management is of the view that going concern basis of accounting is appropriate.

Our opinion 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.

Key Audit Matters	Auditor's Response
<p>Evaluation of key tax matters</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.36to the financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none">• Obtained an understanding of key tax matters; and• The audit team, along with our internal tax experts -<ul style="list-style-type: none">➤ Read and analysed select key correspondences, consultations obtained by the management for key tax matters;➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and➤ Assessed the management's estimate of the possible outcome of the disputed cases by considering legal precedence and other judicial rulings.
<p>Recoverability of Indirect tax receivables</p> <p>As at March 31,2020, other non-current financial assets in respect of cenvat credit recoverable amounting to Rs.13.17 lakhs.</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 of the same.</p>

Emphasis of Matter

We draw attention to:

Note 11 to the accompanying Statement, in the absence of confirmations from the concerned banks, we are unable to comment about the correctness of balances grouped under balance with banks to the extent of ₹ 3.78 lakhs.

Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditor's report thereon

The Company's Board of directors are responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business responsibility 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.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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) prescribed 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 is 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.

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

Auditor's responsibilities for the audit of the 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2) As required by Section 143(3) of the Act, based on our audit, we report 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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 36 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Other Matters

Further to the continuous spreading of COVID -19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

As a result of the above, the part of the audit was carried out based on remote access of the data as provided the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/ Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of the users that the audit of the Statement has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

For Sanjiv Shah & Associates
Chartered Accountants
Firm's Registration Number: 003572S

CA G Ramakrishnan
Partner

Place: Chennai

Date: 07August, 2020

Annexure “A” to Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Indowind Energy Limited of even date)

- 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 the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are free hold, are held in the name of the Company as at the balance sheet date.
- 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 loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. 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. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
 - 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. According to the information and explanations given to us, in respect of statutory dues:
 - 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 account in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income-tax, Goods and Service tax, Customs Duty, cess and other material

statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities, taking into account the extended due dates notified by the respective authorities in view of Covid'19 impact.

- b. 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, Customs Duty, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable, taking into account the extended due dates notified by the respective authorities in view of Covid'19 impact.
- c. Details of dues of Income Tax which have not been deposited as on 31st March, 2020 on account of disputes are given below:

Statute	Nature of dues	Amount (Rs.) in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 196 1	IT Matters under dispute	27.00	A.Y. 1998 – 1999	First appellate authority –Commissioner of income tax appeals
		144.95	A.Y. 2006 – 2007	Third appellate authority – High Court of Madras
		449.62	A.Y. 2007 – 2008	Third appellate authority – High Court of Madras
		31.33 1.81 (S.14A-under regular and mat)	A.Y. 2009 – 2010	First appellate authority –Commissioner of income tax appeals
		310.89* (Tax effect-NIL)	A.Y. 2013 – 2014	Second appellate authority –Income Tax Appellate tribunal

* Additions amount made in the assessment

There are no dues of Sales Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax and Goods and Service Tax which have not been deposited on account of disputes.

- viii. According to the information and explanations given to us and records examined by us, the details of default as claimed by the EXIM bank in repayment of borrowings as at March 31, 2020 are given below.

Details of default in payment of dues to banks:

Name of the Bank	Nature of default	Amount of default (in lakhs)	Period of default	Remarks
EXIM bank	Principal and interest	₹9,505.97	April 2019 to March 2020	As claimed by the company the entire income from the

	<p>outstanding (including penal and additional interest)</p>		<p>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 \$ 12.11 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 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. The matter being sub-judice we are unable to offer any comments.</p>
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The company has not availed any loans/borrowings from financial institutions, government and has not issued any debentures during the year.

- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or

reported during the year.

- xi. According to the information and explanations give to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section197read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi company. Accordingly, paragraph 3(xii)of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections177and188 of the Act,where applicable andthe details of such transactions have been disclosed in the standalone IndAS financial statements as required by the applicable Indian accounting standards.
- 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. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- 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. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act1934.

For Sanjiv Shah & Associates
Chartered Accountants
Firm's Registration Number: 003572S

CA G Ramakrishnan
Partner
Membership Number: 209035

Place: Chennai
Date: 07 August, 2020

Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Indowind Energy Limited of even date)

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, 2020, 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 Board of Directors of the Company 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 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, 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 Company 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 the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 and according to the information and explanations given to us, 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, 2020, 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.

Other Matters

We bring to the attention of the users that the audit of the internal financial control system over financial reporting and the operating effectiveness of such internal financial controls over financial reporting has been performed remotely in the conditions more fully explained in the Other Matters paragraph of our Independent Audit Report on the audit of the Standalone financial statements.

Our opinion on the internal financial control system over financial reporting is not modified in respect of the above.

For Sanjiv Shah & Associates

Chartered Accountants
Firm's Registration Number: 003572S

CA G Ramakrishnan

Partner
Membership Number: 209035

Place: Chennai
Date: 07 August, 2020

Indowind Energy Limited
Balance Sheet as at March 31, 2020

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

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	24,885.80	25,162.24
Intangible assets		-	-
Capital work in progress	5	-	495.97
Financial assets			
Investments	6	1,104.99	1,110.05
Other financial assets	7	238.34	343.13
Other non-current assets	8	2,131.85	1,755.27
Total non-current assets		28,360.99	28,866.65
Current assets			
Inventories	9	8.62	1.32
Financial assets			
Trade receivables	10	394.59	502.46
Cash and cash equivalents	11	189.63	37.20
Bank balances other than above	12	256.46	642.16
Other financial assets		-	-
Other current assets	13	85.01	104.98
Total current assets		934.30	1,288.12
Total Assets		29,295.29	30,154.78
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	8,974.15	8,974.15
Other equity	15	10,990.51	10,985.46
Total equity		19,964.66	19,959.61
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	8,816.94	9,216.90
Provisions		-	-
Deferred Tax Liabilities (net)		-	-
Total non-current liabilities		8,816.94	9,216.90
Current liabilities			
Financial liabilities			
Trade payables	17	239.34	56.05
Other current liabilities	18	273.40	922.21
Short Term Provisions	19	0.93	-
Total current liabilities		513.68	978.26
Total liabilities		9,330.64	10,195.16
Total Equity and Liabilities		29,295.29	30,154.77

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our report of even date attached
For M/s Sanjiv Shah & Associates
Chartered Accountants
(FRN No. 003572S)

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

Indowind Energy Limited

Statement of profit and loss for the year ended March 31, 2020

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

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Continuing Operations			
A Income			
Revenue from operations	20	1,892.38	2,055.69
Other income	21	68.25	57.17
Total income		1,960.63	2,112.86
B Expenses			
Cost of materials consumed	22	544.03	557.66
Changes in inventories of finished goods	23	(7.30)	12.85
Employee Benefits Expense	24	234.20	227.83
Finance costs	25	529.00	699.84
Depreciation and amortisation expense	26	930.76	931.84
Other expenses	27	288.42	643.20
Total expenses		2,519.11	3,073.22
C Profit before exceptional items and tax			
Exceptional items	28	(558.48)	(960.35)
D Profit before tax from continuing operations			
Income tax expense	29	5.98	(960.35)
Current tax		0.93	-
Deferred tax charge/ (credit)		-	265.90
Profit for the year		5.05	(1,226.25)
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		5.05	(1,226.25)
Earnings per share			
	30		
Basic earnings per share		0.01	(1.37)
Diluted earnings per share		0.01	(1.37)

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 No. 003572S)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

Indowind Energy Limited
Standalone Statement of cash flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow From Operating Activities		
Profit before income tax	5.05	(960.35)
Adjustments for		
Depreciation and amortisation expense	930.76	976.15
(Profit)/ Loss on sale of fixed asset	-	-
Interest received	(27.52)	(39.15)
Finance costs	529.00	699.84
	1,437.29	676.49
Change in operating assets and liabilities		
(Increase)/ decrease in loans	-	-
(Increase)/ decrease in Non Current Investments	5.06	-
(Increase)/ decrease in Other financial assets	343.19	(90.21)
(Increase)/ decrease in inventories	(7.30)	(12.85)
(Increase)/ decrease in trade receivables	107.87	(156.18)
(Increase)/ decrease in Other assets	19.97	68.44
Increase/ (decrease) in provisions and other liabilities	(647.87)	(1.70)
Increase/ (decrease) in trade payables	183.29	47.85
Cash generated from operations	1,441.50	531.84
Less : Income taxes paid (net of refunds)	(0.93)	-
Net cash from operating activities (A)	1,440.57	531.84
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(772.41)	169.48
Sale proceeds of PPE (including changes in CWIP)	-	-
(Purchase)/ disposal proceeds of Investments	-	-
(Investments in)/ Maturity of fixed deposits with banks	385.70	(26.49)
Interest income	27.52	39.15
Net cash used in investing activities (B)	(359.18)	182.14
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) long term borrowings	(399.96)	(163.10)
Finance costs	(529.00)	(572.30)
Net cash from/ (used in) financing activities (C)	(928.96)	(735.40)
Net decrease in cash and cash equivalents (A+B+C)	152.43	-21.43
Cash and cash equivalents at the beginning of the financial year	37.20	58.63
Cash and cash equivalents at end of the year	189.63	37.20
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	183.61	34.41
Cash on hand	6.02	2.79
	189.63	37.20

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 No. 003572S)

For and on behalf of the board
BALA VENCKAT KUTTI

Chairman

DIN - 00765036

RAVINDRANATH K S

Director

DIN - 00848817

G.Ramakrishnan

Partner

M.No. 209035

HARSHA J

Company Secretary

HARI BABU N K

Chief Financial Officer

Place : Chennai

Date : 07.08.2020

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

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (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 Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 07th August 2020.

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 the company's right to receive 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 (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 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**Statement of Changes in Equity for the year ended March 31, 2020**

(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	FOCB Equity Portion	Total
Balance as at April 1, 2018	(1,320.73)	190.90	-	-	7,125.64	6,215.90	12,211.71
Additions/ (deductions) during the year	(1,226.25)	-	-	-	-	-	(1,226.25)
Total Comprehensive Income for the year	-	-	-	-	-	-	-
Balance as at March 31, 2019	(2,546.98)	190.90	-	-	7,125.64	6,215.90	10,985.46
Additions/ (deductions) during the year	5.05	-	-	-	-	-	5.05
Total Comprehensive Income for the year	-	-	-	-	-	-	-
Balance as at March 31, 2020	(2,541.93)	190.90	-	-	7,125.64	6,215.90	10,990.51

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our Report of even date attached

For M/s Sanjiv Shah & Associates

Chartered Accountants

(FRN No. 003572S)

BALA VENCKAT KUTTI

Chairman

DIN - 00765036

RAVINDRANATH K S

Director

DIN - 00848817

G.Ramakrishnan

Partner

M.No. 209035

HARSHA J

Company Secretary

HARI BABU N K

Chief Financial Officer

Place : Chennai

Date : 07.08.2020

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

4 Property, plant and equipment

Particulars	Tangible Assets								Total
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Agricultural Plants	Capital Advance	
Cost as at April 1, 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	-	1,445.22	1,447.33
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
Additions	20.00	-	-	62.94	-	1.00	-	570.89	654.83
Disposals	-	-	-	-	(10.35)	-	-	-	(10.35)
Cost as at March 31, 2020	3,134.18	151.20	43.96	19,239.10	41.28	80.55	-	7,388.15	30,078.42
Depreciation/Amortisation									
Charge for the year	-	14.40	8.00	4,226.80	15.04	7.46	-	-	4,271.70
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2019	-	14.40	8.00	4,226.80	15.04	7.46	-	-	4,271.70
Charge for the year	-	7.20	3.90	909.30	7.47	2.89	-	-	930.76
Disposals	-	-	-	-	(9.84)	-	-	-	(9.84)
As at March 31, 2020	-	21.60	11.90	5,136.10	12.67	10.35	-	-	5,192.62
Net Block									
As at March 31, 2019	3,114.18	136.80	35.96	14,949.36	36.59	72.09	-	6,817.26	25,162.24
As at March 31, 2020	3,134.18	129.60	32.06	14,103.00	28.61	70.20	-	7,388.15	24,885.80

Indowind Energy Limited**Notes to Financial Statements for the year ended March 31, 2020**

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

	As at March 31, 2020	As at March 31, 2019
5 Capital Work-in-progress		
Capital Work-in-progress	-	495.97
	<u>-</u>	<u>495.97</u>
6 Non-current investments		
Trade - Unquoted		
Indowind Power Private Limited 682600 (previous year : 836560 fully paid equity shares of ₹10/-]	68.26	68.26
Revati Commercial Private Limited 2400000 (previous year : 2400000 fully paid equity shares of ₹10/-]	215.00	240.00
The Jain Sahakari Bank Limited [4247 (Previous year : 4247 fully paid equity shares of ₹10/-]	4.14	4.14
Other Non-current Investments - at FVTPL		
Keyman Insurance Policy	817.60	797.66
	<u>1,104.99</u>	<u>1,110.05</u>
Total non-current investments		
Aggregate cost of unquoted investments	287.39	312.39
7 Other non-current financial assets (Unsecured, considered good)		
Security deposits	174.23	216.99
Balances with government authorities	36.49	37.94
Unamortised interest expense	27.62	88.20
	<u>238.34</u>	<u>343.13</u>
8 Other non-current assets (Unsecured, considered good)		
Capital advances with		
Others	81.37	96.62
Advances Other than capital Advances		
Others	86.48	116.13
Related Parties	1,901.61	1,542.52
Others		
Windmill Consumables	62.40	-
	<u>2,131.85</u>	<u>1,755.27</u>
9 Inventories		
Energy Stock	8.62	1.32
	<u>8.62</u>	<u>1.32</u>
10 Trade receivables[#] (unsecured, considered good)		
Outstanding for a period exceeding six months from due date of payment	324.19	427.42
Other debts	70.40	75.04
	<u>394.59</u>	<u>502.46</u>
[#] Balances are subject to confirmation.		
11 Cash and cash equivalents		
Cash on hand	6.02	2.79
Balances with banks		
In current accounts	183.61	34.41
	<u>189.63</u>	<u>37.20</u>

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

	As at March 31, 2020	As at March 31, 2019
12 Other Bank Balances		
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*	256.46	642.16
Others		
	256.46	642.16

* lien marked against outstanding letters of credit

13 Other current assets		
(Unsecured, considered good)		
Advances to employees	31.99	11.03
Pre-paid Expenses	8.86	17.30
Others	44.15	76.65
Miscellaneous expenses to be written off	-	-
	85.01	104.98

14 Capital

Authorised Share Capital

100,000,000 Equity shares of Rs. 10 each

10,000.00

10,000.00

10,000.00

10,000.00

Issued Share Capital

89741486 Equity shares of Rs. 10 each

8,974.15

8,974.15

8,974.15

8,974.15

Subscribed and fully paid up share capital

89741486 Equity shares of Rs. 10 each

8,974.15

8,974.15

8,974.15

8,974.15

Notes:

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

Balance as at the beginning of the year

8,97,41,486

8,97,41,486

Add: Issued during the year

Balance at the end of the year

8,97,41,486

8,97,41,486

(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, 2020		March 31, 2019	
	No of shares	%	No of shares	%
Bala KV	54,37,495	6.06%	54,37,495	6.06%
Loyal Credit and Investments Ltd	81,25,448	9.05%	81,25,448	9.05%
Indus Finance Ltd	64,21,765	7.16%	64,21,765	7.16%
Soura Capital Pvt. Ltd	1,91,70,320	21.36%	1,91,70,320	20.23%

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

	As at March 31, 2020	As at March 31, 2019
(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	(2,541.93)	(2,546.98)
Securities Premium Reserve	7,125.64	7,125.64
Capital Reserve	190.90	190.90
FCCB Equity Portion	6,215.90	6,215.90
Total	10,990.51	10,985.46
a) General reserve		
Balance at the beginning of the year	(2,546.98)	(1,320.73)
Additions/ (deductions) during the year	5.05	(1,226.25)
Balance at the end of the year	(2,541.93)	(2,546.98)
b) Securities Premium Reserve		
Balance as at beginning and end of the year	7,125.64	7,125.64
c) Capital Reserve		
Balance as at beginning and end of the year	190.90	190.90
d) FCCB - Equity Portion		
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	6,215.90	6,215.90
16 Long Term Borrowings		
From Banks	7,116.66	8,163.63
From Other Financial Institutions	1,963.44	1,955.77
	9,080.10	10,119.40
Less: Current Maturities	263.16	902.50
	8,816.94	9,216.90
17 Trade payables		
Trade payables ^{**} #	239.34	56.05
Total	239.34	56.05
** 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.		
# Balances are subject to confirmation.		
18 Other current liabilities		
Current maturities of long term debt		
From Banks	-	639.34
From Others	263.16	263.16
Employee Payables	0.92	14.08
Statutory Dues Payable	9.32	5.62
	273.40	922.20
19 Provisions (Current)		
Provision for Income Tax (net of advance tax)	0.93	-
	0.93	-

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

	For the year ended March 31, 2020	For the year ended March 31, 2019
20 Revenue from operations		
Sale of Products		
- Electricity	1,892.38	2,055.69
	1,892.38	2,055.69
21 Other income		
Interest Income		
Interest from Banks on Deposits	17.27	39.15
Interest Income - Associates	-	-
Interest Income - Others	10.25	-
Dividend Income	0.13	0.13
Other Non Operating Income	-	-
Keyman Insurance Bonus	19.94	-
Others	20.67	17.89
	68.25	57.17
22 Cost of materials consumed		
Direct Cost incurred at Power Generation Site	544.03	557.66
	544.03	557.66
23 Changes in inventories of work-in-progress, stock in trade and finished goods		
Opening Balance		
Work in Progress	-	-
Energy Stock	1.32	14.17
	1.32	14.17
Closing Balance		
Work in Progress	-	-
Energy Stock	8.62	1.32
	8.62	1.32
Total changes in inventories	7.30	(12.85)
24 Employee benefits expense		
Salaries and wages	204.32	194.76
Contribution to Provident and other funds	13.79	14.44
Staff Welfare Expenses	7.67	8.61
Employee Medclaim Expenses	8.42	10.03
	234.20	227.84
25 Finance Cost		
Interest Expenses		
On Borrowings	529.00	699.84
	529.00	699.84
26 Depreciation and amortisation expenses		
Depreciation of property, plant and equipment	930.76	931.84
	930.76	931.84

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

27 Other expenses		
Advertisement	1.38	1.73
AGM/EGM Expenses	12.08	12.63
Bank Charges	0.05	0.24
Books and periodicals	0.15	0.15
Business Promotion	2.33	4.19
Communication	2.77	3.15
Legal and Professional	132.83	98.01
Miscellaneous Expenses	1.99	1.15
Payments to auditors	3.90	4.25
Power and Fuel	6.60	7.20
Printing and Stationery	2.82	3.74
Rates and taxes	58.11	31.06
Repairs and Maintenance -Buildings	15.96	23.10
Repairs and Maintenance -Vehicles	2.26	3.84
Rupee Fluction Loss	-	337.24
Sitting fees	3.30	5.19
Prioe Period Expenses	20.17	58.73
Travelling and Conveyance	21.74	47.61
	288.42	643.21
Payment to auditors		
Statutory Audit Fees	3.90	3.90
Tax Audit Fees	-	-
For Taxation Matters	-	-
For Certification / Representation Matters	-	0.35
	3.90	4.25
28 Exceptional items		
Differential Interest and Fees	564.47	-
Total	564.47	-
29 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits	0.93	
Total current tax expense	0.93	-
Deferred tax		
Opening Balance	-	265.90
Deferred tax adjustments		
Total deferred tax expense/(benefit)	-	265.90
Income tax expense	0.93	265.90
b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	5.98	(960.35)
Income tax expense calculated at 30.9% (2018-19: 30.9%)	-	-
Tax Rate Changes (30.9%-30.9%) *	-	-
Effect of expenses that are not deductible in determining taxable profit	-	-
Income tax expense	-	-

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

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

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

<i>Deferred tax (liabilities)/assets in relation to:</i>	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				-
Total	-	-	-	-

e) Movement of deferred tax expense during the year ended March 31, 2018

<i>Deferred tax (liabilities)/assets in relation to:</i>	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				-
Total	-	-	-	-

30 Earnings per share

Profit for the year attributable to owners of the Company	5.05	(1,226.25)
Weighted average number of ordinary shares outstanding	8,97,41,486	8,97,41,486
Basic earnings per share (Rs)	0.01	(1.37)
Diluted earnings per share (Rs)	0.01	(1.37)

31 Earnings in foreign currency

FOB value of exports	-	-
Anti dumping duty refund (net of payments)		

32 Expenditure in foreign currency

Interest payment & Principal Repayment against EXIM Bank Borrowing	-	347.55
Services Charges	-	1.42
	-	348.97

33 Value of Imports (on C.I.F basis)

Consumables and Stores	-	-
Capital goods and Spares	-	-
	-	-

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

34 Value of imported and indigenous Raw materials, Packing materials consumed and Consumable Spares during the financial year and the percentage of each to the total consumption

	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Value	Percentage (%)	Value	Percentage (%)
Imported	-	-	-	-
Indigenous	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

35 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		
(b) The delayed payments of principal amount paid	-	-
(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	-	-

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

36 Commitments and contingent asset & contingent liability

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contingent Liability		
Statutory	27.00	342.50
	27.00	342.50
Contingent Asset		
Net Claims On Banks	6,826.17	1,081.55
Claims On Utilities	105.41	730.05
Net Claims On Vendors	4,494.66	2,917.85
Claims for non delivery by vendors	785.00	785.00
	12,211.25	5,514.45
Excess of Contingent Asset over Contingent Liability	12,184.25	5,171.95

37 Operating Segments

The company is engaged in the business of "Power Generation, Project sale and others which include finance" and therefore, has reported under each reportable segment as per Ind AS 108 "Operating Segments"

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
India	1,892.38	2,055.69
Total	1,892.38	2,055.69

(b) Non current assets

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of external customers each contributing more than 10% of total revenue	Nil	Nil
Total revenue from the above customers		
Total	-	-

38 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 is Rs. 7.20 Lakhs (Previous year Rs. 7.20 Lakhs)

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

39 Details of Long Term Borrowings

	March 31, 2020			March 31, 2019		
	Non Current	Current maturities	Total	Non Current	Current maturities	Total
Banks	7,116.66	-	7,116.66	7,110.39	639.34	7,749.73
NBFC/FIs	1,700.28	263.16	1,963.44	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 12.570 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

ii) LIC of India

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

40 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.

Gearing Ratio:	March 31, 2020	March 31, 2019
Debt	9,080.10	9,956.30
Less: Cash and bank balances	446.09	679.36
Net debt	8,634.01	9,276.93
Total equity	19,964.66	19,959.61
Net debt to equity ratio (%)	43.25%	46.48%

Categories of Financial Instruments	March 31, 2020	March 31, 2019
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Financial assets

a. Measured at amortised cost

Loans Given	-	-
Other non-current financial assets	2,131.85	1,755.27
Trade receivables	394.59	502.46
Cash and cash equivalents	189.63	37.20
Bank balances other than above	256.46	642.16
Other financial assets		

b. Mandatorily measured at fair value through profit or loss (FVTPL)

Investments	1,104.99	1,110.05
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Financial liabilities

a. Measured at amortised cost

Borrowings (short term)	-	-
Trade payables	239.34	56.05

b. Mandatorily measured at fair value through profit or loss (FVTPL)

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, 2020 (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		-	-	-	-	-	-
EUR		-	-	-	-	-	-
In INR		-	-	-	-	-	-

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	-	-	-	-	-	-	-
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.

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.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds, quoted Bonds, Non-Convertible Debentures issued by Government/Semi-Government Agencies/PSU Bonds/High Investment grade Corporates etc. These Counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

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.

March 31, 2020	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	239.34	-	-	239.34
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	263.16	-	8,816.94	9,080.10
	502.50	-	8,816.94	9,319.44

March 31, 2019	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	56.05	-	-	56.05
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	902.50	-	9,216.90	9,956.30
	958.55	-	9,216.90	10,012.35

	March 31, 2020	March 31, 2019
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

Notes to Financial Statements for the year ended March 31, 2020

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

41 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	Indowind Power Private Limited
Associate Companies	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 Secretary Kishore Electro Infra Private limited
Key management personnel	
Bala V Kutti	Chairman
K S Ravindranath	Whole Time Director
Harsha J	Company Secretary

b) Transactions during the year

Nature of Transactions	2019-2020	2018-2019
Subsidiary		
Power Share Income	939.37	1,027.84
Investments	68.26	68.26
Companies where key managerial personnel has significant influence		
Power Share Income	85.94	105.71
Interest Income	-	-
Investments	-	240.00
Directors		
Travelling Expense	10.60	33.49
Sitting Fees	2.80	4.40

c) Balance at the end of the year

Companies where Key Managerial Person have significant influence	Balances Outstanding at end of the year	
	2019-2020	2018-2019
Companies where Key Managerial Person have significant influence-		
Capital Advances - Acquisition of 6Mw Wind Project	3,989.15	3,989.15
Capital Advances/Guarantee Deposits- Secured	140.00	180.00
Other Non Current Assets		
Loans & Advances	1,901.61	1,542.52
Other Current Assets		
Long Term Trade Advances	-	-
Capital WIP	-	455.76
Subsidiary		
Long Term Trade Advances	528.81	528.81
Capital Work in Progress	-	458.86
Companies where Key Managerial Person have significant influence-		
Trade/Other Payables	3.65	-

Indowind Energy Limited

Notes to Financial Statements for the year ended March 31, 2020

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

42 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.8.42 Lakhs (for the year ended March 31, 2019: Rs. 10.37 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, 2020	March 31, 2019
Discount Rate	8.00% p.a.	8.00% p.a.
Rate of increase in compensation level	7.00% p.a.	7.00% p.a.
Rate of Return on Plan Assets		
Expected Average Remaining Working Lives of Employees (years)		

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.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	March 31, 2020 Rs. Lakhs	March 31, 2019 Rs. Lakhs
Current service cost	-	-
Net interest expense	3.53	3.32
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	<u>3.53</u>	<u>3.32</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>-</u>	<u>-</u>
	<u>3.53</u>	<u>3.32</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	46.37	44.05
Fair value of plan assets	(47.41)	(44.05)
Net liability/ (asset) arising from defined benefit obligation	<u>(1.04)</u>	<u>-</u>
Funded	(1.04)	-
Unfunded	-	-
	<u>(1.04)</u>	<u>-</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	44.05	45.13
Current service cost	-	
Interest cost	3.53	3.32
Actuarial (gains)/losses	-	-
Benefits paid	(1.20)	(4.40)
Closing defined benefit obligation	<u>46.37</u>	<u>44.05</u>

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

Opening fair value of plan assets	44.05	44.41
Acquisition Adjustment		
Interest Income	3.53	3.32
Return on plan assets	-	
Contributions	1.04	0.72
Benefits paid	(1.20)	(4.40)
Actuarial gains/(loss)		-
Others	-	-
Closing fair value of plan assets	<u>47.41</u>	<u>44.05</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 No. 003572S)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

Place : Chennai
Date : 07.08.2020

HARSHA J
Company Secretary

HARI BABU N K
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, 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of subsidiary referred to in the *Other Matters* section of our report, except for the effects of the matters 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, its consolidated profit, its consolidated total 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) a) We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2020 where there is a legal dispute between the Holding Company and 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 the Honourable High Court of Bombay. The Holding Company has provided for the interest on the EXIM loan @4.4% (quarterly rests) after adjusting the fixed deposit, differential interest on fixed deposit and excess processing fee as against the 16% (monthly rests) rate of interest charged by the bank. The entire interest including the penal and additional interest for the year ended March 31, 2020 amounts to ₹ 1480.03 lakhs which is determined based on the closing balance confirmation of EXIM bank. Accordingly, had the interest including the penal and additional interest been provided in line with the bank in the consolidated financial results, the loss before exceptional items and tax for the year ended March 31, 2020 would have been higher by ₹ 1169.02 lakhs. Our opinion dated May 30, 2019 on the consolidated financial results for the year ended

March 31,2019 and our review report dated February 14,2020 on the standalone and consolidated financial results for the quarter ended December 31,2019 was also qualified in respect of this matter.

b)We refer to Note 28 to the accompanying Statement, the Holding Company has recognised interest income to the tune of ₹ 564.47 lakhs and the same was adjusted in EXIM loan outstanding in the consolidated financial results for the year ended March 31,2020. As the outcome of the case as referred above in point number (i)(a) is uncertain at this stage, the recognition of Contingencies in the consolidated financial results 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. Accordingly, had the interest income not been recognised, the profit before tax for the year ended March 31,2020 would have been lower by ₹ 564.47 lakhs.

c)We refer to Note 16 to the accompanying Statement, the Group's Long-term borrowings includes ₹ 7116.66 lakhs as at March 31,2020 representing the loan outstanding (principal and interest dues) obtained from EXIM bank. However, the closing balance confirmation of EXIM bank reflects ₹ 9505.97 lakhs as the total outstanding (principal and interest dues) as at March 31,2020. The Holding Company has adjusted the fixed deposits charged against the loan from EXIM bank to the tune of ₹ 401.24 lakhs towards the principal outstanding during the year ended March 31,2020 whereas the bank had adjusted for ₹ 365.35 lakhs on February 22,2019 against the interest overdues. The derecognition of financial liability in part is not in accordance with the requirements of Ind AS 109 'Financial Instruments'. The Long term borrowings reflected under the Non-Current liabilities has been understated in the consolidated financial results to the tune of ₹ 2389.31 lakhs as at March 31,2020.

d) We refer to Note 7 to the accompanying Statement, the Holding Company has accounted for reduction in the unamortized interest expense reflected under Other non-current financial assets to the extent of ₹ 46.74 lakhs which was adjusted in EXIM loan outstanding in the consolidated financial results for the year ended March 31,2020. The Holding Company has taken a stand that the processing fees booked at the time of initial sanction of loan was based on the total amount sanctioned by the EXIM bank and 50% of the same has to be reversed since the entire sanctioned amount has not been released by the EXIM bank. However, there is no such clause mentioned in the terms and conditions stipulated in the sanction letter of the EXIM bank. Hence the stand taken by the Holding Company for reversal of the processing fees by 50% is not correct. The Holding Company has accounted for amortization of processing fee under finance cost which is less by ₹ 12.42 lakhs due to this reversal. Accordingly, had the reversal not been done, the loss before exceptional items and tax would have been more by ₹ 12.42 lakhs and other non-current financial assets is understated by ₹ 46.74 lakhs.

e) 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 Holding 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 impact on the Holding company's ability to continue as a going concern. Our opinion dated May 30,2019 on the consolidated financial results for the year ended March 31,2019 was also qualified in respect of this matter.

- ii) We refer to Note 4 to the accompanying Statement, the Group's Capital advances shown under Property, Plant & Equipment under Non-Current Asset of ₹ 3398.99 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased by the Holding Company. The Honourable High Court of Madras (Single bench) has passed an order on 26.11.2019 setting aside the Arbitral Award dated 22.07.2017 which was passed in favour of the Holding Company. The Holding Company has filed an appeal with the Honourable High Court of Madras (Division bench) against the order referred above. In view of the uncertainty associated with the outcome of the case, we are unable to comment on the recoverability of the claim made by the Holding Company. Our opinion dated May 30,2019 on the consolidated financial results for the year ended March 31,2019 was also qualified in respect of this matter.
- iii) We refer to Note 8 to the accompanying Statement, the Group's other non-current assets with related parties of ₹ 1547.52 lakhs receivable in respect of sale of machines (2.50 MW consisting of 9 Machines) and expenses incurred with respect to make change / repowering of the 1.5 MW capacity. The repowering of the balance 1 MW is still pending and the Holding company has estimated that an amount of ₹ 250 lakhs is required to complete the repowering of the same. A condition was also stipulated in the agreement that this amount will be paid in 2 to 3 years' time without any interest from the date of the Holding company completing the repowering of the 2.5 MW project. Hence the provision is required. However, the management is of the view that the repowering of balance 1 MW will be carried out to make them in working condition and also collect part of the amount in the coming financial year. Our opinion dated May 30,2019 on the consolidated financial results for the year ended March 31,2019 was also qualified in respect of this matter.
- iv) We refer to Note 10 to the accompanying Statement, the Group's trade receivables to the tune of ₹ 470.03 lakhs out of which ₹ 228.96 lakhs relates to Interest recoverable from TNEB Thirunelveli and BESCOM. The amount is lying as receivable for more than 3 years. As both are the Government entities, the collection of the said amount was expected to be certain. The Holding Company has filed the petition before the Honourable Tamil Nadu Electricity Regulatory Commission claiming the interest recoverable from TNEB, Thirunelveli for which the outcome is unascertainable at this stage. In our opinion the chance of recoverability is low and the provision shall be made for the same. Had the provision been made in the consolidated financial results, the loss before exceptional items and tax for the year ended March 31,2020 would have been higher by ₹ 228.96 lakhs and the trade receivables is overstated by ₹ 228.96 lakhs.

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.

Material Uncertainty related to Going Concern

We draw attention to the Note 16 of the accompanying Statement which reflects the FCCB Equity portion. The Holding Company is the defendant in a legal case filed vide C.P.No.172 of 2011 by the Trustees of the Foreign Currency Bond Holders (FCCB) for winding up of the Holding Company before the Honourable High court of Madras. It is pertinent to note that the Honourable High Court of Madras has passed an order dated 20.05.2020 admitting the winding up petition and also the Holding Company is restrained from transferring, alienating encumbering or dealing with its immovable assets. The Holding Company has filed an appeal with the Division Bench of the Honourable High Court of Madras with the Prayer for order of Interim Stay of all further proceedings in pursuance to the Judgment dated 20.05.2020.

The above indicates that a material uncertainty exists that may cast significant doubt on the Holding Company's ability to continue as a going concern. However, based on the appeal filed as referred above, Holding Company's management is of the view that going concern basis of accounting is appropriate.

Our opinion 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 Consolidated 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.

Key Audit Matters	Auditor's Response
<p>Evaluation of key tax matters</p> <p>The Holding 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 36 to the consolidated financial statements.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding of key tax matters; and • The audit team, along with our internal tax experts - <ul style="list-style-type: none"> ➤ Read and analysed select key correspondences, consultations obtained by the management for key tax matters; ➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ➤ Assessed the management's estimate of the possible outcome of the disputed cases by considering legal precedence and other judicial rulings.
<p>Recoverability of Indirect tax receivables</p> <p>As at March 31,2020, other non-current financial assets in respect of cenvat credit recoverable amounting to ₹13.17 lakhs.</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 of the same.</p>

Emphasis of Matters

We draw attention to:

Note 11 to the accompanying Statement, in absence of confirmations from the concerned banks, we are unable to comment about the correctness of balances grouped under balance with banks to the extent of ₹ 3.78 lakhs.

Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditor's report thereon

The Holding Company's Board of directors are responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business responsibility report but does not include the consolidated 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.

Management's responsibility for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated 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 consolidated 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 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 annual financial statements / financial information of one subsidiary, whose financial information reflect total assets of ₹ 723.12 lakhs as at March 31, 2020, total revenue of ₹ 173.27 Lakhs and net cash flows amounting to ₹ -8.10 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 profit of ₹ 0.57 lakhs for the year ended March 31, 2020, 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-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is 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 matter with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate financial statements of the subsidiary which is company incorporated in India, referred in the Other Matters paragraph above 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 Ind AS 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, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditor's report of the Holding Company and Subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. Further, we report that the provisions of Section 197(16) 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.

(h) 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, as amended, 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.36 to the consolidated financial statements.
- ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 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 & Associates
Chartered Accountants
Firm's Registration Number: 003572S

CA G Ramakrishnan
Partner
Membership Number: 209035

Place: Chennai
Date: 07 August, 2020

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Indowind Energy Limited of even date)

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’)

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 2020, 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 respective companies 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 is company 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 the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company which is company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary which is company incorporated in India.

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 and according to the information and explanations given to us and based on the consideration of other auditors report referred to in the Other Matters paragraph below, 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 2020, based on the internal control over financial reporting criteria established by the respective companies, 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary which is company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matter.

For Sanjiv Shah & Associates

Chartered Accountants

Firm's Registration Number: 003572S

CA G Ramakrishnan

Partner

Membership Number: 209035

Place: Chennai

Date: 07 August, 2020

Indowind Energy Limited

Consolidated Balance Sheet as at March 31, 2020

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

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4	24,885.80	25,162.24
Intangible assets	4	575.39	575.39
Capital work in progress	5	-	40.20
Financial assets			
Investments	6	1,040.69	1,045.75
Other financial assets	7	238.34	343.13
Other non-current assets	8	1,576.91	1,226.46
Total non-current assets		28,317.13	28,393.16
Current assets			
Inventories	9	32.28	74.40
Financial assets			
Trade receivables	10	470.03	577.76
Cash and cash equivalents	11	189.88	45.56
Bank balances other than above	12	256.46	642.16
Other financial assets		-	-
Other current assets	13	109.63	499.96
Total current assets		1,058.28	1,839.84
Total Assets		29,375.40	30,233.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	8,974.15	8,974.15
Other equity	15	11,067.59	11,061.97
Total equity		20,041.74	20,036.13
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	8,816.94	9,216.90
Provisions		-	-
Deferred Tax Liabilities (net)		-	-
Total non-current liabilities		8,816.94	9,216.90
Current liabilities			
Financial liabilities			
Trade payables	17	241.49	56.97
Other current liabilities	18	274.09	923.00
Short Term Provisions	19	1.13	-
Total current liabilities		516.71	979.97
Total liabilities		9,333.65	10,196.87
Total Equity and Liabilities		29,375.40	30,233.00

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our report of even date attached
For M/s Sanjiv Shah & Associates
Chartered Accountants
(FRN No. 003572S)

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

Indowind Energy Limited

Consolidated Statement of profit and loss for the year ended March 31, 2020

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

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Continuing Operations			
A Income			
Revenue from operations	20	2,065.65	2,197.04
Other income	21	68.25	57.17
Total income		2,133.90	2,254.21
B Expenses			
Cost of materials consumed	22	658.76	765.38
Changes in inventories of finished goods	23	42.12	(60.23)
Employee Benefits Expense	24	234.20	227.83
Finance costs	25	529.00	699.85
Depreciation and amortisation expense	26	930.76	931.84
Other expenses	27	296.79	649.52
Total expenses		2,691.62	3,214.20
C Profit before exceptional items and tax			
Exceptional items	28	(557.73)	(959.98)
D Profit before tax from continuing operations		6.74	(959.98)
Income tax expense	29		
Current tax		1.13	0.10
Deferred tax charge/ (credit)		-	265.90
Profit for the year		5.61	(1,225.98)
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		-	-
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		5.61	(1,225.98)
Earnings per share			
	30		
Basic earnings per share		0.01	(1.37)
Diluted earnings per share		0.01	(1.37)

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 No. 003572S)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

Indowind Energy Limited

Consolidated Statement of cash flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash Flow From Operating Activities		
Profit before income tax	5.61	(959.98)
Adjustments for		
Depreciation and amortisation expense	930.76	931.84
(Profit)/ Loss on sale of fixed asset	-	-
Interest received	(27.52)	(39.15)
Finance costs	529.00	699.85
	1,437.85	632.56
Change in operating assets and liabilities		
(Increase)/ decrease in Non Current Investments	5.06	-
(Increase)/ decrease in Other financial assets	(457.77)	(90.22)
(Increase)/ decrease in inventories	(42.12)	60.23
(Increase)/ decrease in trade receivables	107.73	(25.63)
(Increase)/ decrease in Other assets	390.33	(121.39)
Increase/ (decrease) in provisions and other liabilities	(647.78)	3.54
Increase/ (decrease) in trade payables	184.52	74.14
Cash generated from operations	977.83	533.24
Less : Income taxes paid (net of refunds)	(1.13)	-
Net cash from operating activities (A)	976.70	533.24
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(316.64)	169.48
Sale proceeds of PPE (including changes in CWIP)	-	-
(Purchase)/ disposal proceeds of Investments	-	-
(Investments in)/ Maturity of fixed deposits with banks	385.70	(27.49)
Interest income	27.52	39.15
Net cash used in investing activities (B)	96.58	181.14
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) long term borrowings	(399.96)	(163.10)
Finance costs	(529.00)	(572.31)
Net cash from/ (used in) financing activities (C)	(928.96)	(735.41)
Net decrease in cash and cash equivalents (A+B+C)	144.33	-21.03
Cash and cash equivalents at the beginning of the financial year	45.56	66.59
Cash and cash equivalents at end of the year	189.89	45.56
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	183.86	42.77
Cash on hand	6.02	2.79
	189.88	45.56

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 No. 003572S)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

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

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (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 Companies (Indian Accounting Standards) Amendment Rules, 2016.

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 08th August 2020.

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 the company's right to receive 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 (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 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

Statement of Changes in Equity for the year ended March 31, 2020

(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	FOCB Equity Portion	Total
Balance as at April 1, 2018	(1,310.99)	190.90	-	65.79	-	7,125.64	6,215.90	12,287.24
Additions/ (deductions) during the year	(1,225.98)	-	-	0.71	-	-	-	(1,225.27)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	(2,536.97)	190.90	-	66.50	-	7,125.64	6,215.90	11,061.97
Additions/ (deductions) during the year	5.61	-	-	0.01	-	-	-	5.62
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	(2,531.36)	190.90	-	66.51	-	7,125.64	6,215.90	11,067.59

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our Report of even date attached

For M/s Sanjiv Shah & Associates

Chartered Accountants

(FRN No. 003572S)

BALA VENCKAT KUTTI

Chairman

DIN - 00765036

RAVINDRANATH K S

Director

DIN - 00848817

G.Ramakrishnan

Partner

M.No. 209035

HARSHA J

Company Secretary

HARI BABU N K

Chief Financial Officer

Place : Chennai

Date : 07.08.2020

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

4 Property, plant and equipment

Particulars	Tangible Assets								Total	Intangible Assets Capital Advance
	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Vehicles	Office Equipment	Agricultural Plants	Capital Advance		
Cost as at April 1, 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	1,447.33	-
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
Additions	20.00	-	-	62.94	-	1.00	-	570.89	654.83	-
Disposals	-	-	-	-	(10.35)	-	-	-	(10.35)	-
Cost as at March 31, 2020	3,134.18	151.20	43.96	19,239.10	41.28	80.55	-	7,388.15	30,078.42	575.39
Depreciation/Amortisation										
Charge for the year	-	14.40	8.00	4,226.80	15.04	7.46	-	-	4,271.70	-
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019	-	14.40	8.00	4,226.80	15.04	7.46	-	-	4,271.70	-
Charge for the year	-	7.20	3.90	909.30	7.47	2.89	-	-	930.76	-
Disposals	-	-	-	-	(9.84)	-	-	-	(9.84)	-
As at March 31, 2020	-	21.60	11.90	5,136.10	12.67	10.35	-	-	5,192.62	-
Net Block										
As at March 31, 2019	3,114.18	136.80	35.96	14,949.36	36.59	72.09	-	6,817.26	25,162.24	575.39
As at March 31, 2020	3,134.18	129.60	32.06	14,103.00	28.61	70.20	-	7,388.15	24,885.80	575.39

Indowind Energy Limited**Notes to Consolidated Financial Statements for the year ended March 31, 2020**

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

	As at March 31, 2020	As at March 31, 2019
5 Capital Work-in-progress		
Capital Work-in-progress	-	40.20
	<u>-</u>	<u>40.20</u>
6 Non-current investments		
Trade - Unquoted		
Revati Commercial Private Limited 2400000 (previous year : 2400000 fully paid equity shares of ₹10/-]	218.95	243.95
The Jain Sahakari Bank Limited [4247 (Previous year : 4247 fully paid equity shares of ₹10/-]	4.14	4.14
Other Non-current Investments - at FVTPL		
Keyman Insurance Policy	817.60	797.66
	<u>1,040.69</u>	<u>1,045.75</u>
Total non-current investments		
Aggregate cost of unquoted investments	223.09	248.09
7 Other non-current financial assets		
(Unsecured, considered good)		
Security deposits	174.23	216.99
Balances with government authorities	36.49	37.94
Unamortised interest expense	27.62	88.20
	<u>238.34</u>	<u>343.13</u>
8 Other non-current assets		
(Unsecured, considered good)		
Capital advances with		
Others	81.37	96.62
Advances Other than capital Advances		
Others	86.48	116.13
Related Parties	1,346.66	1,013.71
Others		
Windmill Consumables	62.40	
	<u>1,576.91</u>	<u>1,226.46</u>
9 Inventories		
Energy Stock	32.28	74.40
	<u>32.28</u>	<u>74.40</u>
10 Trade receivables[#]		
(unsecured, considered good)		
Outstanding for a period exceeding six months from due date of payment	396.08	492.32
Other debts	73.95	85.44
	<u>470.03</u>	<u>577.76</u>
[#] Balances are subject to confirmation		
11 Cash and cash equivalents		
Cash on hand	6.02	2.79
Balances with banks		
In current accounts	183.86	42.77
	<u>189.88</u>	<u>45.56</u>

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

	As at March 31, 2020	As at March 31, 2019
12 Other Bank Balances		
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*	256.46	642.16
Others		
	256.46	642.16
* lien marked against outstanding letters of credit		
13 Other current assets		
(Unsecured, considered good)		
Advances to employees	31.99	11.03
Pre-paid Expenses	8.86	17.30
Others	68.77	471.63
Miscellaneous expenses to be written off	-	-
	109.63	499.96
14 Capital		
Authorised Share Capital		
100,000,000 Equity shares of Rs. 10 each	10,000.00	10,000.00
	10,000.00	10,000.00
Issued Share Capital		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	8,974.15	8,974.15
Subscribed and fully paid up share capital		
89741486 Equity shares of Rs. 10 each	8,974.15	8,974.15
	8,974.15	8,974.15

Notes:

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

Balance as at the beginning of the year	8,97,41,486	8,97,41,486
Add: Issued during the year		

Balance at the end of the year	8,97,41,486	8,97,41,486
---------------------------------------	--------------------	--------------------

(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, 2020		March 31, 2019	
	No of shares	%	No of shares	%
Bala KV	54,37,495	6.06%	54,37,495	6.06%
Loyal Credit and Investments Ltd	81,25,448	9.05%	81,25,448	9.05%
Indus Finance Ltd	64,21,765	7.16%	64,21,765	7.16%
Soura Capital Pvt. Ltd	1,91,70,320	21.36%	1,91,70,320	20.23%

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

	As at March 31, 2020	As at March 31, 2019
(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	(2,531.36)	(2,536.97)
Minority Interest	66.51	66.50
Securities Premium Reserve	7,125.64	7,125.64
Capital Reserve	190.90	190.90
FCCB Equity Portion	6,215.90	6,215.90
Total	11,067.59	11,061.97
a) General reserve		
Balance at the beginning of the year	(2,536.97)	(1,310.99)
Additions/ (deductions) during the year	5.61	(1,225.98)
Balance at the end of the year	(2,531.36)	(2,536.97)
b) Securities Premium Reserve		
Balance as at beginning and end of the year	7,125.64	7,125.64
c) Capital Reserve		
Balance as at beginning and end of the year	190.90	190.90
d) FCCB - Equity Portion		
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	6,215.90	6,215.90
16 Long Term Borrowings		
From Banks	7,116.66	8,163.63
From Other Financial Institutions	1,963.44	1,955.77
	9,080.10	10,119.40
Less: Current Maturities	263.16	902.50
	8,816.94	9,216.90
17 Trade payables		
Trade payables **#	241.49	56.97
Total	241.49	56.97
** 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.		
# -		
18 Other current liabilities		
Current maturities of long term debt		
From Banks	-	639.34
From Others	263.16	263.16
Employee Payables	0.92	14.08
Statutory Dues Payable	10.01	6.41
	274.09	922.99
19 Provisions (Current)		
Provision for Income Tax (net of advance tax)	1.13	-
	1.13	-

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

	For the year ended March 31, 2020	For the year ended March 31, 2019
20 Revenue from operations		
Sale of Products		
- Electricity	2,065.65	2,197.04
	<u>2,065.65</u>	<u>2,197.04</u>
21 Other income		
Interest Income		
Interest from Banks on Deposits	17.27	39.15
Interest Income - Associates	-	-
Interest Income - Others	10.25	-
Dividend Income	0.13	0.13
Other Non Operating Income	-	-
Keyman Insurance Bonus	19.94	-
Others	20.67	17.89
	<u>68.25</u>	<u>57.17</u>
22 Cost of materials consumed		
Direct Cost incurred at Power Generation Site	658.76	765.38
	<u>658.76</u>	<u>765.38</u>
23 Changes in inventories of work-in-progress, stock in trade and finished goods		
Opening Balance		
Work in Progress	-	-
Energy Stock	74.40	14.17
	<u>74.40</u>	<u>14.17</u>
Closing Balance		
Work in Progress	-	-
Energy Stock	32.28	74.40
	<u>32.28</u>	<u>74.40</u>
Total changes in inventories	<u>(42.12)</u>	<u>60.23</u>
24 Employee benefits expense		
Salaries and wages	204.32	194.76
Contribution to Provident and other funds	13.79	14.44
Staff Welfare Expenses	7.67	8.61
Employee Medclaim Expenses	8.42	10.03
	<u>234.20</u>	<u>227.83</u>
25 Finance Cost		
Interest Expenses		
On Borrowings	529.00	699.84
	<u>529.00</u>	<u>699.84</u>
26 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	930.76	931.84
	<u>930.76</u>	<u>931.84</u>

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

27 Other expenses		
Advertisement	1.38	1.73
AGM/EGM Expenses	12.08	12.63
Bank Charges	0.06	0.25
Books and periodicals	0.15	0.15
Business Promotion	2.33	4.19
Communication	2.77	3.15
Legal and Professional	132.83	102.42
Miscellaneous Expenses	4.48	1.28
Payments to auditors	4.94	5.75
Power and Fuel	6.60	7.20
Printing and Stationery	2.82	3.82
Rates and taxes	62.94	31.06
Repairs and Maintenance -Buildings	15.96	23.10
Repairs and Maintenance -Vehicles	2.26	3.84
Rupee Fluction Loss		337.24
Sitting fees	3.30	5.19
Prioe Period Expenses	20.17	58.73
Travelling and Conveyance	21.74	47.81
	296.79	649.52
Payment to auditors		
Statutory Audit Fees	4.40	4.40
Tax Audit Fees	0.50	0.50
For Taxation Matters		-
For Certification / Representation Matters	0.04	0.85
	4.94	5.75
28 Exceptional items		
Differential Interest and Fees	564.47	-
	564.47	-
Total	564.47	-
29 Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits	0.93	0.10
Total current tax expense	0.93	0.10
Deferred tax		
Opening Balance	-	265.90
Deferred tax adjustments		
Total deferred tax expense/(benefit)	-	265.90
Income tax expense	0.93	266.00
b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	6.74	(959.98)
Income tax expense calculated at 30.9% (2018-19: 30.9%)	-	0.10
Tax Rate Changes (30.9%-30.9%) *	-	-
Effect of expenses that are not deductible in determining taxable profit	-	-
Income tax expense	-	0.10

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

Indowind Energy Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

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

<i>Deferred tax (liabilities)/assets in relation to:</i>	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				-
Total	-	-	-	-

e) Movement of deferred tax expense during the year ended March 31, 2018

<i>Deferred tax (liabilities)/assets in relation to:</i>	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				-
Total	-	-	-	-

30 Earnings per share

Profit for the year attributable to owners of the Company	5.61	(1,225.98)
Weighted average number of ordinary shares outstanding	8,97,41,486	8,97,41,486
Basic earnings per share (Rs)	0.01	(1.37)
Diluted earnings per share (Rs)	0.01	(1.37)

31 Earnings in foreign currency

FOB value of exports		
Anti dumping duty refund (net of payments)	-	-

32 Expenditure in foreign currency

Interest payment & Principal Repayment against EXIM Bank Borrowing	-	347.55
Services Charges	-	1.42
	-	348.98

33 Value of Imports (on C.I.F basis)

Consumables and Stores	-	-
Capital goods and Spares	-	-
	-	-

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

34 Value of imported and indigenous Raw materials, Packing materials consumed and Consumable Spares during the financial year and the percentage of each to the total consumption

	For the year ended March 31, 2020		For the year ended March 31, 2019	
	Value	Percentage (%) \approx	Value	Percentage (%)
Imported	-	-	-	-
Indigenous	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

35 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		
(b) The delayed payments of principal amount paid beyond	-	-
(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	-	-

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

36 Commitments and contingent asset & contingent liability

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Contingent Liability		
Statutory	27.00	342.50
	27.00	342.50
Contingent Asset		
Net Claims On Banks	6,826.17	1,303.55
Claims On Utilities	105.41	730.05
Net Claims On Vendors	4,494.66	3,984.00
Claims for non delivery by vendors	785.00	785.00
	12,211.24	6,802.60
Excess of Contingent Asset over Contigent Liability	12,184.24	6,460.10
	-	-

37 Operating Segments

The company is engaged in the business of "Power Generation, Project sale and others which include finance" and therefore, has reported under each reportable segment as per Ind AS 108 "Operating Segments"

Information relating to geographical areas

(a) Revenue from external customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
India	2,065.65	2,055.69
United States of America		-
Other Countries		-
Total	2,065.65	2,055.69

(b) Non current assets

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of external customers each contributing more than 10% of total revenue	Nil	Nil
Total revenue from the above customers		
Total	-	-

38 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 is Rs. 7.20 Lakhs (Previous year Rs. 7.20 Lakhs)

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

39 Details of Long Term Borrowings

	March 31, 2020			March 31, 2019		
	Non Current	Current maturities	Total	Non Current	Current maturities	Total
Banks	7,116.66	-	7,116.66	7,524.29	639.34	8,163.63
NBFC/FIs	1,700.28	263.16	1,963.44	1,692.61	263.16	1,955.77

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 12.570 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

ii) LIC of India

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

Indowind Enerav Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

40 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.

Gearing Ratio:

	March 31, 2020	March 31, 2019
Debt	9,080.10	9,956.30
Less: Cash and bank balances	446.09	679.36
Net debt	8,634.01	9,276.93
Total equity	19,964.66	19,959.61
Net debt to equity ratio (%)	43.25%	46.48%

Categories of Financial Instruments

	March 31, 2020	March 31, 2019
Financial assets		
a. Measured at amortised cost		
Loans Given	-	-
Other non-current financial assets	238.34	343.13
Trade receivables	470.03	577.76
Cash and cash equivalents	189.88	45.56
Bank balances other than above	256.46	642.16
Other financial assets	-	-
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Investments	1,040.69	1,045.75
Financial liabilities		
a. Measured at amortised cost		
Borrowings (short term)	-	-
Trade payables	241.49	56.97
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative instruments	-	-

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, 2020 (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	-	-	-	-	-	-	-
EUR	-	-	-	-	-	-	-
In INR	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-
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.

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.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds, quoted Bonds, Non-Convertible Debentures issued by Government/Semi-Government Agencies/PSU Bonds/High Investment grade Corporates etc. These Counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

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.

March 31, 2020	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	239.34	-	-	239.34
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	263.16	-	8,816.94	9,080.10
	502.50	-	8,816.94	9,319.44

March 31, 2019	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	56.05	-	-	56.05
Other financial liabilities	-	-	-	-
Borrowings (including interest accrued thereon upto the reporting date)	902.50	-	9,216.90	9,956.30
	958.55	-	9,216.90	10,012.35

	March 31, 2020	March 31, 2019
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

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

41 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 Indowind Power Private Limited

Associate Companies

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 Secretary
Kishore Electro Infra Private limited

Key management personnel

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

b) Transactions during the year

Nature of Transactions	2019-2020	2018-2019
Companies where key managerial personnel has significant influence		
Power Share Income	85.94	105.71
Interest Income	-	-
Investments	-	240.00
Directors		
Travelling Expense	10.60	33.49
Sitting Fees	2.80	4.40

c) Balance at the end of the year

Companies where Key Managerial Person have significant influence	Balances Outstanding at end of the year	
	2019-2020	2018-2019
Companies where Key Managerial Person have significant influence-		
Capital Advances - Acquisition of 6Mw Wind Project	3,989.15	3,989.15
Capital Advances/Guarantee Deposits- Secured	140.00	180.00
Other Non Current Assets		
Loans & Advances	1,346.66	1,013.71
Other Current Assets		
Long Term Trade Advances	-	-
Capital WIP	-	-
Subsidiary		
Long Term Trade Advances	-	418.00
Capital Work in Progress	-	688.63
Companies where Key Managerial Person have significant influence-		
Trade/Other Payables	4.32	-

Indowind Energy Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2020

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

42 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. 8.42 Lakhs (for the year ended March 31, 2019: Rs. 10.37 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, 2020	March 31, 2019
Discount Rate	8.00% p.a.	8.00% p.a.
Rate of increase in compensation level	7.00% p.a.	7.00% p.a.
Rate of Return on Plan Assets		
Expected Average Remaining Working Lives of Employees (years)		

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.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	March 31, 2020 Rs. Lakhs	March 31, 2019 Rs. Lakhs
Current service cost	-	-
Net interest expense	3.53	3.32
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	<u>3.53</u>	<u>3.32</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>-</u>	<u>-</u>
	<u>3.53</u>	<u>3.32</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	46.37	44.05
Fair value of plan assets	(47.41)	(44.05)
Net liability/ (asset) arising from defined benefit obligation	<u>(1.04)</u>	<u>-</u>
Funded	(1.04)	-
Unfunded	-	-
	<u>(1.04)</u>	<u>-</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	44.05	45.13
Current service cost	-	-
Interest cost	3.53	3.32
Actuarial (gains)/losses	-	-
Benefits paid	(1.20)	(4.40)
Closing defined benefit obligation	<u>46.37</u>	<u>44.05</u>

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

Opening fair value of plan assets	44.05	44.41
Acquisition Adjustment	-	-
Interest Income	3.53	3.32
Return on plan assets	-	-
Contributions	1.04	0.72
Benefits paid	(1.20)	(4.40)
Actuarial gains/(loss)	-	-
Others	-	-
Closing fair value of plan assets	<u>47.41</u>	<u>44.05</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 No. 003572S)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

RAVINDRANATH K S
Director
DIN - 00848817

G.Ramakrishnan
Partner
M.No. 209035

HARSHA J
Company Secretary

HARI BABU N K
Chief Financial Officer

Place : Chennai
Date : 07.08.2020

Resolution Number	Resolution	Voting		
		For	Against	Abstain
	ORDINARY BUSINESS			
1.	To Consider and adopt the Audited Financial statement of the Company for the financial year ended 31 st March 2020 and the Report of the Board of Directors and the Auditors thereon			
2	To appoint a Director in the place of Mr.Bala V Kutti (holding DIN -00765036) who retires at this meeting in terms of section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for Re-appointment.			
3	Appointment of Auditor			
	SPECIAL BUSINESS			
4	Re-appointment of Mr.Niranjana R Jagtap (DIN 01237606) as an Independent Director and to continue the directorship irrespective of his age as per regulation 17(1A) of SEBI (LODR) Regulations, 2015			
5	Appointment of Ms.Rajashree Santhanam, (DIN. 07162071) as an Independent Director			