

# S. Vasudevan & Associates

## Chartered Accountants

B1-H2, Nutech Indira, 150 – Pillayarkovil Street, Jaffer Khanpet, Ashok Nagar, Chennai 600 083  
Ph: 044 2474 4948; email: vasudevan.audit@gmail.com

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### INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF  
INDOWIND POWER PRIVATE LIMITED

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

#### Opinion

We have audited the accompanying standalone financial statements of **INDOWIND POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the 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, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, and its cash flows for the year ended on that date.

#### Basis for Opinion

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information [or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon"]

The Company's Board of Directors is responsible for the other information. The other information comprises the [information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.]

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

### **Responsibility of Management for the Standalone Financial Statements**

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

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

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

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the 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 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 (Auditors' report) Order 2016, as amended, issued by the Central Government of India in terms of sub-section (11) Section 143 of the Companies Act, 2013('the Act'), we enclose in the Annexure A, a statement of the matters specified in paragraph 3 and 4 of the said order.

2. Further as required by Section 143 (3) of the Act, 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

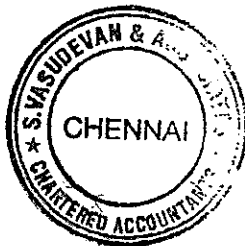
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company does not have any pending litigations which would impact its financial position;
- (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.

For S. VASUDEVAN & ASSOCIATES  
Chartered Accountants  
Firm Regn No: 004569S



S. Vasudevan  
Partner  
Membership No: 027228



Chennai  
30<sup>th</sup> May 2019

## Annexure - A to the Auditors' Report

### INDOWIND POWER PRIVATE LIMITED

Referred to in Paragraph 1 in 'Other Legal & Regulatory Requirements' of our report of even date

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its Fixed Assets;
- b. The requirement for physical verification of tangible fixed assets does not arise as there are no tangible fixed assets;
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the Company.
- (ii) There are no inventories. Hence the clause is not applicable;
- (iii) According to Information and Explanation provided to us, the company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, clause (a) and (b) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The company has not accepted deposits during the year and therefore paragraph 3 (v) of the Order is not applicable.
- (vi) The Central Government had not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the Company;
- (vii) a. According to the records of the company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Salestax, Value Added Tax, Wealth Tax, Income Tax, Service Tax, Custom Duty, Excise Duty, cess & other statutory dues applicable to it.

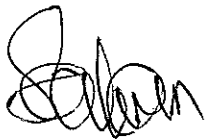
According to the information and explanations given to us, no undisputed amounts payable in respect of Sales-tax, Value Added Tax, Wealth Tax, Income Tax, Service Tax, Custom Duty and Excise Duty were outstanding as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

- b. According to the records of the company, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Value Added Tax, Service Tax, Excise Duty or Cess which have not been deposited on account of any dispute and

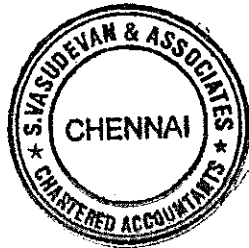


- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, 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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable 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.
- (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 into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For S. VASUDEVAN & ASSOCIATES  
Chartered Accountants  
Firm Regn No: 004569S



S. Vasudevan  
Partner  
Membership No: 027228



Chennai  
30<sup>th</sup> May 2019

## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Indowind Power Private Limited ("the Company") as of 31<sup>st</sup> March, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

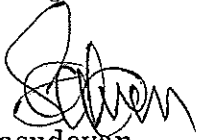
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

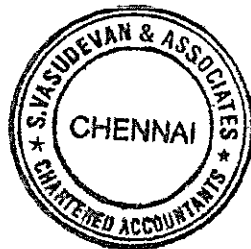
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. VASUDEVAN & ASSOCIATES

Chartered Accountants  
Firm Regn No: 004569S

  
S. Vasudevan  
Partner  
Membership No: 027228



Chennai  
30<sup>th</sup> May 2019



**INDOWIND POWER PRIVATE LIMITED**  
**CIN - U40103TN2010PTC077068**  
**Balance Sheet as at 31 March, 2019**

Particulars		Note No.	As at 31 March, 2019 Rs.	As at 31 March, 2018 Rs.
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	13,369,600	13,369,600
	(b) Reserves and surplus	3	712,581	680,215
			<b>14,082,181</b>	<b>14,049,815</b>
<b>2</b>	<b>Share application money pending allotment</b>		-	-
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long-term liabilities	4	98,457,870	70,094,342
	(d) Long-term provisions		-	-
			<b>98,457,870</b>	<b>70,094,342</b>
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities		-	1,800,000
	(d) Short-term provisions	5	171,188	1,524,313
			<b>171,188</b>	<b>3,324,313</b>
	<b>TOTAL</b>		<b>112,711,239</b>	<b>87,468,470</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	6	57,539,303	57,539,303
			<b>57,539,303</b>	<b>57,539,303</b>
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		-	-
			<b>57,539,303</b>	<b>57,539,303</b>
<b>2</b>	<b>Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories		7,308,021	-
	(c) Trade receivables	7	7,529,724	11,688,281
	(d) Cash and cash equivalents	8	835,826	796,055
	(e) Short-term loans and advances		-	-
	(f) Other current assets	9	39,498,365	17,444,831
			<b>55,171,936</b>	<b>29,929,167</b>
	<b>TOTAL</b>		<b>112,711,239</b>	<b>87,468,470</b>
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

For **S. Vasudevan & Associates**

Chartered Accountants

FRN : 004569S



**S. Vasudevan**

Partner

M.No. 027228



For and on behalf of the Board of Directors



**Bala Venckat Kutti**  
Director

DIN - 00848817



**NIRANJAN R JAGTAP**  
Director

DIN - 01237606

Place: Chennai

Date : 30.05.2019

**INDOWIND POWER PRIVATE LIMITED**  
CIN - U40103TN2010PTC077068

**Statement of Profit and Loss for the year ended 31 March, 2019**

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2019	31 March, 2018
			Rs.	Rs.
<b>A</b>	<b>CONTINUING OPERATIONS</b>			
1	Revenue from operations (gross)	10	14,134,558	19,203,031
	Revenue from operations (net)		14,134,558	19,203,031
2	Other income		-	-
3	<b>Total revenue (1+2)</b>		<b>14,134,558</b>	<b>19,203,031</b>
4	<b>Expenses</b>			
	(a) Direct costs	11	20,771,930	18,737,050
	(b) Project Expenses		-	-
	(c) Changes in inventories of finished goods, work-in-progress		-7,308,021	-
	(d) Employee benefits expenses		-	-
	(e) Finance costs		-	-
	(f) Depreciation and amortisation expense	6	-	-
	(g) Other expenses	12	632,066	300,982
	<b>Total expenses</b>		<b>14,095,975</b>	<b>19,038,032</b>
5	<b>Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>38,583</b>	<b>164,999</b>
6	Exceptional items		-	-
7	<b>Profit / (Loss) before extraordinary items and tax (5 ± 6)</b>		<b>38,583</b>	<b>164,999</b>
8	Extra-ordinary items		-	-
9	<b>Profit / (Loss) before tax (7 ± 8)</b>		<b>38,583</b>	<b>164,999</b>
10	<b>Tax expense:</b>			
	(a) Current tax expense		10,032	50,985
	(b) Deferred tax		-	-
			<b>10,032</b>	<b>50,985</b>
11	<b>Profit / (Loss) from continuing operations (9 ± 10)</b>		<b>28,551</b>	<b>114,014</b>
<b>C</b>	<b>TOTAL OPERATIONS</b>			
14	<b>Profit / (Loss) for the year (11 ± 13)</b>		<b>28,551</b>	<b>114,014</b>
15.i	<b>Earnings per share (of Rs. 10/- each):</b>			
	(a) Basic			
	(i) Continuing operations		0.02	0.09
	(ii) Total operations		0.02	0.09
	<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached.

**For S. Vasudevan & Associates**

Chartered Accountants

FRN: 004569S

**S. Vasudevan**

Partner

M.No. 027228



For and on behalf of the Board of Directors

**Bala Venckat Kutti**

Director

DIN - 00848817

**NIRANJAN R JAGTAP**

Director

DIN - 01237606

Place : Chennai

Date : 30.05.2019



**INDOWIND POWER PRIVATE LIMITED**  
**Cash Flow Statement for the year ended 31 March, 2019**

Particulars	For the year ended 31 March, 2019		For the year ended 31 March, 2018	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		38,583		164,999
<u>Adjustments for:</u>				
Depreciation and amortisation	-	-	-	-
Lease rental amortisation	-	-	-	-
Finance costs	-	-	-	-
Interest income	-	-	-	-
Dividend Income	-	-	-	-
Net unrealised exchange (gain) / loss	-	-	-	-
Operating profit / (loss) before working capital changes		<b>38,583</b>		<b>164,999</b>
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-7,308,021	-	-	-
Trade receivables	4,158,557		15,051,054	
Short term loans & advances	-		43,394,840	
Long-term loans and advances	-		-	
Other current assets	-22,053,534		-14,704,696	
Other non-current assets	-		-	
Adjustments for increase / (decrease) in operating liabilities:				
Trade Payables	-		-	
Other current liabilities	-		-	
Other long-term liabilities	26,563,528		1,800,000	
Short-term provisions	-1,353,125		-46,063,724	
Long-term provisions	-	7,405	-	-522,526
Cash flow from extra-ordinary items		<b>45,988</b>		<b>-357,527</b>
Cash generated from operations		45,988		-357,527
Net income tax (paid) / refunds		-6,217		-52,835
<b>Net cash flow from operating activities (A)</b>		<b>39,771</b>		<b>-410,362</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-		-	
Proceeds from sale of fixed assets	-		-	
Rental income from investment properties	-		-	
Investment in Fixed Deposits (Other than Cash Equivalents as per AS-3)		-		-
Cash flow from extraordinary items		-		-
<b>Net cash flow from investing activities (B)</b>		<b>-</b>		<b>-</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares	-		-	
Proceeds from issue of equity shares - Share Premium A/c	-		-	
Finance cost	-		-	
<b>Net cash flow from financing activities (C)</b>		<b>-</b>		<b>-</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>39,771</b>		<b>-410,362</b>
Cash and cash equivalents at the beginning of the year		796,055		1,206,417
<b>Cash and cash equivalents at the end of the year</b>		<b>835,826</b>		<b>796,055</b>
<b>Cash and cash equivalents at the end of the year Comprising:</b>				
(a) Cash on hand		-		27,375
(b) Balances with banks		835,826		768,680
		<b>835,826</b>		<b>796,055</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

For S. Vasudevan & Associates  
Chartered Accountants



S. Vasudevan  
Partner  
Place : Chennai  
Date : 30.05.2019

For and on behalf of the Board of Directors



Bala Venkat Kutti  
Director



NIRANJANA R JAGTAP  
Director

**INDOWIND POWER PRIVATE LIMITED**  
**Notes forming part of the financial statements**

Note	Particulars
<b>1</b>	<b>Significant accounting policies (Illustrative)</b>
<b>1.01</b>	<p><b>Basis of accounting and preparation of financial statements</b></p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>1.02</b>	<p><b>Use of estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>1.03</b>	<p><b>Inventories</b></p> <p>Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>
<b>1.04</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances.</p>
<b>1.05</b>	<p><b>Depreciation and amortisation</b></p> <p>Depreciation shall be provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.</p> <p>The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.</p>
<b>1.06</b>	<p><b>Revenue recognition</b></p> <p><u>Sale of goods</u></p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.</p>
<b>1.07</b>	<p><b>Other income</b></p> <p>Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p>

1.08	<p><b>Tangible fixed assets</b></p> <p>Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.</p> <p>Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.</p> <p><u>Capital work-in-progress:</u> Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p>
1.09	<p><b>Investments</b></p> <p>Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.</p> <p>Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.</p>
1.10	<p><b>Employee benefits</b></p> <p>Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p>
1.11	<p><b>Borrowing costs</b></p> <p>Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.</p>
1.12	<p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p>
1.13	<p><b>Taxes on Income</b></p> <p>Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.</p>
1.14	<p><b>Impairment of assets</b></p> <p>The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.</p>
1.15	<p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities are disclosed in the Notes</p>
1.16	<p><b>Share Issues expenses</b></p> <p>Share issue expenses and redemption premium are adjusted against the Securities Premium Account as permissible under Section 78(2) of the Companies Act, 1956, to the extent balance is available for utilisation in the Securities Premium Account. The balance of share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.</p>

**INDOWIND POWER PRIVATE LIMITED**  
**CIN - U40103TN2010PTC077068**  
**Notes forming part of the financial statements**

**Note 2 Share capital**

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised Equity shares of Rs. 10/- each	1,500,000	15,000,000	1,000,000	10,000,000
		<b>15,000,000</b>		<b>10,000,000</b>
(b) Issued Equity shares of Rs. 10/- each	1,336,960	13,369,600	1,336,960	13,369,600
		<b>13,369,600</b>		<b>13,369,600</b>
(c) Subscribed and fully paid up Equity shares of Rs. 10/- each	1,336,960	13,369,600	1,336,960	13,369,600
		<b>13,369,600</b>		<b>13,369,600</b>
<b>Total</b>		<b>13,369,600</b>		<b>13,369,600</b>

**Notes:**

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

Particulars	Opening Balance	Fresh issue	Bonus	Closing Balance
Class I Equity shares with voting rights Year ended 31 March, 2019				
- Number of shares	1,336,960	-	-	1,336,960
- Amount (Rs.10/-)	13,369,600	-	-	13,369,600
Year ended 31 March, 2018				
- Number of shares	1,336,960	-	-	1,336,960
- Amount (Rs.10/-)	13,369,600	-	-	13,369,600

Class of shares / Name of shareholder	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares - Indowind Energy Limited	682,560	51.05	682,560	51.05
<b>Total</b>	<b>682,560</b>	<b>51.05</b>	<b>682,560</b>	<b>51.05</b>

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

Particulars	Aggregate number of shares				
	As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2016	As at 31 March, 2015	As at 31 March, 2014
Equity shares with voting rights					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-

**INDOWIND POWER PRIVATE LIMITED**  
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**Notes forming part of the financial statements**

Particulars	As at 31 March, 2019 Rs.	As at 31 March, 2018 Rs.
<b><u>Note 3 Reserves and surplus</u></b>		
(a) Profit & Loss Account		
Opening balance	680,215	568,051
Add: Transferred from Statement of Profit and Loss	28,551	114,014
Others	3,815	-1,850
<b>Total - Reserves &amp; Surplus</b>	<b>712,581</b>	<b>680,215</b>
<b><u>Note 4 Other long-term liabilities</u></b>		
Loans and Advances - Related parties	98,457,870	70,094,342
<b>Total</b>	<b>98,457,870</b>	<b>70,094,342</b>
<b><u>Note 5 Short term provisions</u></b>		
(i) Payable towards power share	-	1,063,315
(ii) Statutory remittances - TDS Payable	79,388	35,005
(iii) Provision for Income Tax	-	50,985
(iii) Expenses Payable	91,800	375,008
<b>Total</b>	<b>171,188</b>	<b>1,524,313</b>

INDOWIND POWER PRIVATE LIMITED  
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Notes forming part of the financial statements

A. Tangible assets	Gross block					Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2018	Additions	Disposals	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Eliminated on disposal of assets	Depreciation / amortisation for the year	Balance as at 31 March, 2019	Balance as at 31 March, 2018	Balance as at 31 March, 2019	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. Tangibles											
B. Wind Electric Generator Service Connection 57 Nos.	57,539,303	-	-	57,539,303	-	-	-	-	57,539,303	-	57,539,303
<b>Total</b>	<b>57,539,303</b>	<b>-</b>	<b>-</b>	<b>57,539,303</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,539,303</b>	<b>-</b>	<b>57,539,303</b>

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
	Rs.	Rs.
Depreciation and amortisation for the year on tangible assets	-	-
Depreciation and amortisation relating to continuing operations	-	-



**INDOWIND POWER PRIVATE LIMITED**

**CIN - U40103TN2010PTC077068**

**Notes forming part of the financial statements**

Particulars	As at 31 March, 2019 Rs.	As at 31 March, 2018 Rs.
<b>Note 7 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	6,489,252	6,095,892
Trade receivables - Less than six months		
Unsecured, considered good	1,040,472	5,592,389
<b>Total</b>	<b>7,529,724</b>	<b>11,688,281</b>
<b>Note 8 Cash and cash equivalents</b>		
(a) Cash on hand	-	27,375
(b) Balances with banks		
- In current accounts	835,826	768,680
<b>Total</b>	<b>835,826</b>	<b>796,055</b>
<b>Note 9 Other current assets</b>		
(a) Pre-operative expenses	52,828	66,035
(b) Advances - Related Parties	36,777,361	14,503,907
(c) Others	2,668,176	2,874,889
<b>Total</b>	<b>39,498,365</b>	<b>17,444,831</b>

INDOWIND POWER PRIVATE LIMITED		
CIN - U40103TN2010PTC077068		
Notes forming part of the financial statements		
Particulars	For the year ended 31 March, 2019 Rs.	For the year ended 31 March, 2018 Rs.
<b>Note 10 Revenue from operations</b>		
Sale of Products - Power	14,134,558	19,203,031
Total	<b>14,134,558</b>	<b>19,203,031</b>
<b>Note 11 Direct costs</b>		
Selling expenses	20,771,930	18,737,050
Total	<b>20,771,930</b>	<b>18,737,050</b>
<b>Note 12 Other expenses</b>		
Fees, Rates and taxes	440,564	136,196
Travelling Expenses	19,980	-
Printing and stationery	7,980	13,100
Bank charges	767	645
Payments to auditors (Refer Note (i) below)	149,500	144,940
Miscellaneous expenses	13,275	6,101
Total	<b>632,066</b>	<b>300,982</b>
<b>Notes :</b>		
<b>(i) Payments to the auditors comprises (net of service tax input credit, where applicable):</b>		
As auditors - statutory audit	50,000	50,000
As auditors - Tax audit	50,000	50,000
For Certification matters	49,500	44,940
Total	<b>149,500</b>	<b>144,940</b>

**INDOWIND POWER PRIVATE LIMITED**

**Note 13 - Notes on general information forming part of the financial statements**

**13.1 Corporate information**

The Company was Incorporated on 19th August, 2010 as M/s Indowind Power Private Limited. Registered Office is situated at 4th Floor, Kothari Buildings, 114, M.G. Road, Chennai - 600 034. The Company's main objective is generation of power.

**13.2 Segment reporting**

As per Accounting Standard - 17 "Segment Reporting", the company is required to report information based on Business Segment and Geographical Segment. However, as the Company has only one segment, the Accounting Standard is not applicable to the Company.

**13.3 List of related parties**

Name of the related party	Relationship
Bala K V	Director
Ravindranath K S	Director
Niranjan Jagtap	Director
Indowind Energy Limited	Associate Enterprises / Holding Company
Everon Power Limited	Associate Enterprises
Perpetual Power Pvt Ltd	Associate Enterprises
Ind Eco Ventures Limited	Associate Enterprises
Indonet Global Ltd	Associate Enterprises

Name of the related party	Nature of transaction	Transaction value	
		For the Y.E. 31st March, 2019	For the Y.E. 31st March, 2018
Indowind Energy Limited	Long term liabilities	52,881,288	52,881,288
Indonet Global Ltd	Power Share Payable	-	634,805
Bekae Properties Pvt Ltd	Power Share Payable	-	428,510
Indowind Energy Limited	Project Advance	45,576,582	17,213,054
Perpetual Power Pvt Ltd	Other Current Liabilities	-	1,800,000
Indonet Global Ltd	Other Current Assets	1,198,916	-
Bekae Properties Pvt Ltd	Other Current Assets	854,327	-
Everon Power Ltd	Other Current Assets	1,280,610	11,018,902
Ind Eco Ventures Ltd	Other Current Assets	33,443,508	3,485,005

**13.4 Micro and medium scale business entities**

There are no micro, small or medium enterprises to whom the company owes dues, which are outstanding for more than 45 days during the year and also as at the end of previous year. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

**13.5** Loans and advances, other current assets are subject to confirmation, reconciliation if any

**13.6** Based on the information available with the Company, amounts due to small scale industrial undertaking as at 31st March, 2014 is Rs. Nil Previous year: Rs Nil.

**13.7** Based on the information available with the company, there are no suppliers who are registered as Micro, Small or Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2015.

**13.8** The previous years figures have been regrouped/restated wherever necessary to confirm to the Schedule VI requirements.

In terms of our report attached.

**For S. Vasudevan & Associates**  
Chartered Accountants

S. Vasudevan  
Partner

Place : Chennai  
Date : 30.05.2019

For and on behalf of the Board of Directors

  
Bala Venckat Kuttir  
Director

  
NIRANJAN R JAGTAP  
Director