



Indowind Energy Ltd

FORM A

1.	Name of the Company	Indowind Energy Limited
2.	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit observation	Attached
4	Frequency of observation	Yearly
5	Signed by • CEO / Managing Director • CFO • Auditor • Audit Committee Chairman	 



FORM - A

Type of Audit Observation:

1. Emphasis of Matter

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

2. Report on other Legal and Regulatory Requirements

In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 except Accounting Standard 5 on Net Profit or Loss for the period, Prior Period Item & Changes in Accounting Policies. CER Income recognised in earlier years due to its non-recoverability to the tune of Rs.3,09,67,422/- has been treated as Prior period item and an amount equivalent to it has been withdrawn from reserves. In our opinion, it has to be treated as Bad - Debts written off during the current year and consequently, Profits for the year to that extent are overstated

3. Basis for Qualified Opinion

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