



Indowind Energy Ltd

CIN : L40108TN1995PLC032311

E-mail : contact@indowind.com

30th May, 2019

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

Bombay Stock Exchange Limited
Registered Office: Floor 25,
P J Towers, Dalal Street
Mumbai – 400 001

Dear Sir / Madam,

Sub: Outcome of the Board Meeting

We wish to inform you that the Board of Directors of Indowind Energy Limited, at its Board Meeting held on 30th May 2019 has approved the Audited Financial Results for the quarter and financial year ended 31st March 2019 and appointed Mr. M.K.Haribabu as CFO of the Company.

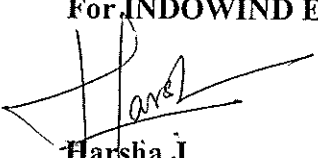
Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements Regulations 2015), we enclose the following:

1. Audited Financial Results for the quarter and financial year ended March 31, 2019
2. Auditors Report on the Audited financial results issued by the Statutory Auditor's M/s.Sanjiv Shah & Associates, Chennai.
3. Statement on Impact of Audit Qualification.

Kindly take the above documents on record.

Thanking you,

Yours faithfully,
For INDOWIND ENERGY LIMITED.,


Harsha J
Company Secretary
Encl: As above





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INDOWIND ENERGY LIMITED

REGD Office: "KOTHARI BUILDINGS", 4TH FLOOR, 114, M.G.ROAD,
NUNGAMBAKKAM, CHENNAI - 600 034.

Standalone Audited Financial Results for the Quarter and year ended 31.03.2019

(Rs. in Lakhs)

Particulars	Standalone				
	Three Months Ended			Year Ended	
	March 31 2019	December 31 2018	March 31 2018	March 31 2019	March 31 2018
	Audited	Un-Audited	Audited	Audited	
1. Income from operation					
(a) Revenue from operation	30.51	208.76	253.75	2055.69	2423.62
(b) Other Revenue	18.75	1.54	373.21	57.17	499.93
Total Revenue	49.26	210.30	626.96	2112.87	2923.55
2. Expenses					
(a)(1) Operating Expenses	126.96	117.47	117.17	517.92	494.91
(2) selling and Distribution Expenses	10.62	7.89	12.91	39.74	47.27
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in progress and stock-in-trade	12.85	-	128.81	12.85	128.81
(d) Employee benefits expense	63.09	57.54	62.97	227.83	222.82
(e) Finance Cost	182.10	139.91	212.33	699.84	766.42
(f) Depreciation and amortization expense	40.75	74.19	(45.84)	931.84	949.99
(g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	429.12	80.55	121.87	643.21	338.98
Total expenses	865.51	477.55	610.22	3073.22	2949.20
3. Profit before exceptional and extraordinary items and tax(1-2)	(816.25)	(267.25)	16.74	(960.36)	(25.65)
4.Exceptional items	(327.76)	(525.97)	2448.43	-	2340.82
5.Profit before extraordinary items and tax(3-4)	(444.17)	258.72	(2431.69)	(960.36)	(2366.47)
6.Extraordinary items	-	-	-	-	-
7. profit before tax(5-6)	(488.49)	258.72	(2431.69)	(960.36)	(2366.47)
8. Tax expenses					
Current tax	-	-	-	-	-
Deferred tax	265.90	-	(265.89)	265.90	(265.89)
9. Total tax Expenses	265.90	-	(265.89)	265.90	(265.89)
10.Profit for the period from continuing operations(7-8)	(754.39)	258.72	(2165.80)	(1226.26)	(2100.58)
11. Profit/Loss from discontinuing operations	-	-	-	-	-
12. Tax expenses of discontinuing operations	-	-	-	-	-
13.Profitfrom discontinuing operations(after tax)(11-12)	-	-	-	-	-
14. profit for the period (10+13)	(754.39)	258.72	(2165.80)	(1226.26)	(2100.58)
15. Minority interest	-	-	-	-	-
16. profit after minority interest(14-15)	(754.39)	258.72	(2165.80)	(1226.26)	(2100.58)



17. Other Comprehensive Income	-	-	-	-	-
Items that will be classified to profit or loss					
18. Total Comprehensive Income for the period (16+17) (Comprising Profit and other Comprehensive income for the period)					
19. Paid-up equity share capital (Face Value of Rs.10/- each)	8974.14	8974.14	8974.14	8974.14	8974.14
20. Reserve (excluding Revaluation Reserves)	-	-	-	-	-
21. Earnings per equity shares					
(a) Basic (Rs.)	(0.84)	0.29	(2.41)	(1.37)	(2.34)
(b) Diluted (Rs.)	(0.84)	0.29	(2.41)	(1.37)	(2.34)

Consolidated Audited Financial Results for the Quarter and Year ended 31.03.2019					
Particulars	Consolidated				
	Three Months Ended			Year Ended	
	March 31 2019	December 31 2018	March 31 2018	March 31 2019	March 31 2018
	Audited	Un-Audited	Audited	Audited	
1. Income from operation					
(a) Revenue from operation	124.46	43.47	380.92	2565.25	3012.06
(b) Other Revenue	18.75	1.54	373.21	57.17	499.93
Total Revenue	143.21	439.01	754.13	2622.42	3511.99
2. Expenses					
(a) (1) Operating Expenses	126.96	117.47	117.17	517.92	494.91
(2) selling and Distribution Expenses	158.06	183.23	138.17	615.67	631.05
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work-in progress and stock-in-trade	(60.23)	-	128.81	(60.23)	128.81
(d) Employee benefits expense	63.09	57.54	62.97	227.83	222.82
(e) Finance Cost	182.10	139.91	212.33	699.85	766.42
(f) Depreciation and amortization expense	40.75	74.19	(45.84)	931.84	949.99
(g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	432.48	82.99	122.55	649.53	342.00
Total expenses	943.21	655.33	736.16	3214.19	3536.00
3. Profit before exceptional and extraordinary items and tax(1-2)	(800.00)	(216.32)	17.97	(959.98)	(24.01)
4. Exceptional items	(327.76)	(525.97)	2448.43	-	2340.82
5. Profit before extraordinary items and tax(3-4)	(472.24)	309.65	(2430.46)	(959.98)	(2364.83)
6. Extraordinary items	-	-	-	-	-
7. profit before tax(5-6)	(472.24)	309.65	(2430.46)	(959.98)	(2364.83)
8. Tax expenses					
Current tax	0.10	-	0.51	0.10	0.51
Deferred tax	265.90	-	(265.89)	265.90	(265.89)

9. Total tax Expenses	266.00	-	(265.38)	266.00	(265.38)
10. Profit for the period from continuing operations(7-8)	(738.24)	309.65	(2165.08)	(1225.98)	(2098.43)
11. Profit/Loss from discontinuing operations	-	-	-	-	-
12. Tax expenses of discontinuing operations	-	-	-	-	-
13. Profit from discontinuing operations(after tax)(11-12)	-	-	-	-	-
14. profit for the period (10+13)	(738.24)	309.65	(2165.08)	(1225.98)	(2098.43)
15. Minority interest	7.90	(12.48)	0.81	0.14	0.81
16. profit after minority interest(14-15)	(746.14)	322.13	(2165.89)	(1226.12)	(2099.24)
17. Other Comprehensive Income	-	-	-	-	-
Items that will be classified to profit or loss					
18. Total Comprehensive Income for the period (16+17) (Comprising Profit and other Comprehensive income for the period)					
19. Paid-up equity share capital (Face Value of Rs.10/- each)	8974.14	8974.14	8974.14	8974.14	8974.14
20. Reserve (excluding Revaluation Reserves)	-	-	-	-	-
21. Earnings per equity shares					
(a) Basic (Rs.)	(0.83)	0.35	(2.41)	(1.37)	(2.34)
(b) Diluted (Rs.)	(0.83)	0.35	(2.41)	(1.37)	(2.34)

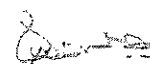
STATEMENT OF ASSETS AND LIABILITIES				
Particulars	(in Rs.)			
	Standalone		Consolidated	
	As at	As at	As at	As at
	31-03-2019	31.03.2018	31-03-2019	31.03.2018
	Audited	Audited	Audited	Audited
Assets				
1. NON-CURRENT ASSET				
Property plant and Equipment	2,516,223,048	2,472,418,019	2,516,223,048	2,472,418,019
Capital work-in-progress	49,596,578	69,173,135	4,019,996	69,063,135
Investment property	-	-	-	-
Goodwill	-	-	-	-
Other intangible asset	-	-	57,539,303	57,539,303
Intangible assets under development	-	-	-	-
Biological assets other than bearer plants	-	-	-	-
Investments accounted for using equity method	-	-	-	-
Non-current financial assets				
Non current investments	111,005,491	111,005,491	104,574,891	104,574,891
Trade receivables, non current	-	-	-	-
Loans, non current	34,312,806	153,130,211	34,312,806	100,248,923
Other non-current financial assets	175,526,877	153,807,074	122,645,589	153,807,074
Total non-current financial asset	320,845,174	417,942,776	261,533,286	358,630,888
Deferred tax asset(net)	-	26,589,429	-	26,589,429
Other non current assets	-	-	-	-
Total non-current assets	2,886,664,800	2,986,013,359	2,839,315,633	2,984,240,774
2. CURRENT ASSETS				
Inventories	132,241	1,416,973	7,440,262	1,416,973
Current financial asset				
Current investments	-	-	-	-
Trade receivable ,current	50,245,943	65,863,718	57,775,667	60,339,319
Cash and cash equivalents	3,720,133	1,868,585	4,555,959	1,895,961

Bank balance other than cash and cash equivalents	64,216,354	67,589,395	64,216,354	68,358,074
Loans, current	-	-	-	-
Other current financial assets	-	-	-	-
Total current financial assets	118,314,671	136,738,671	133,988,242	132,010,327
Current tax assets(net)	-	-	-	-
Other Current assets	10,497,710	3,654,483	49,996,075	21,031,674
Total current assets	128,812,381	140,393,154	183,984,317	153,042,001
3. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	-	-	-	-
4. REGULATORY DEFERRED ACCOUNT DEBIT BALANCE AND RELATED DEFERRED TAX ASSET	-	-	-	-
Total Asset	3,015,477,181	3,126,406,873	3,023,299,950	3,137,282,775
EQUITY AND LIABILITIES				
1. EQUITY				
Equity attributable to owners of parant				
Equity share capital	897,414,860	897,414,860	897,414,860	897,414,860
Other equity	1,098,546,736	1,221,171,902	1,099,548,492	1,222,144,587
Total Equity attributable to owners of parant	1,995,961,596	2,118,586,762	1,996,963,352	2,119,559,447
Non controlling interest	-	-	6,649,825	6,578,825
Total equity	1,995,961,596	2,118,586,762	2,003,613,177	2,126,138,272
2. Liabilities				
Non-current Liabilities				
Non current financial Liabilities				
Borrowing, non-current	921,689,928	905,379,410	921,689,928	905,379,410
Trade payable, non-current	-	-	-	-
Other non-current financial Liabilities	-	-	-	-
Total non-current Financial Liabilities	921,689,928	905,379,410	921,689,928	905,379,410
Provisions, non-current	-	-	-	-
Deferred tax liabilities(net)	-	-	-	-
Deferred government grants, Non-current	-	-	-	-
Other non-Current Liabilities	-	-	-	-
Current non- Financial Liabilities	-	-	-	-
Current liabilities				
Current financial Liabilities	-	-	-	-
Borrowings, current	-	-	-	-
Trade payables, current	5,605,149	11,673,208	5,696,949	13,111,610
Other current Financial liabilities	92,220,508	90,767,493	92,299,896	92,653,483
Total current financial liabilities	97,825,657	102,440,701	97,996,845	105,765,093
Other current liabilities	-	-	-	-
Provisions, current	-	-	-	-
Current tax liabilities(net)	-	-	-	-
Deferred government grants, current	-	-	-	-
Total current Liabilities	97,825,657	102,440,701	97,996,845	105,765,093
3. LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS IN DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	-	-	-	-
4. REGULATORY DEFERRED ACCOUNT CREDIT BALANCE AND RELATED DEFERRED TAX LIABILITY	-	-	-	-
Total liabilities	1,019,515,585	1,007,820,111	1,019,686,773	1,011,144,503
Total Equity and Liabilities	3,015,477,181	3,126,406,873	3,023,299,950	3,137,282,775

Notes:

- The Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 30th May 2019
- The Statutory auditors have carried out the limited review of the results for the quarter and year ended 31st March 2019.
- Figures for the quarter ended 31st March, 2019 and 31st March, 2018 represent the difference between audited figures for the financial year and the limited reviewed figures for the nine month period ended 31st December, 2018 and 31st December, 2017 respectively.
- Segment report is not applicable for the quarter and year ended 31st March 2019.

For and on behalf of Board of
INDOWIND ENERGY LIMITED



K.S. Ravindranath
Whole Time Director

Place: Chennai 34
Date: 30th May 2019

Sanjiv Shah & Associates
Chartered Accountants

Adarsh Apartments II Floor, # 80 Vepery High Road Chennai - 600 007.
Telefax : 00-91-44-25610842 / 0892 Email : mail@ssaca.in



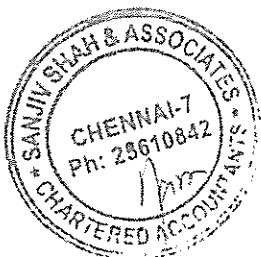
Auditor's Report on Quarterly and Year to Date Standalone Financial Results of Indowind Energy Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of
Indowind Energy Limited, Chennai

1. We have audited the accompanying Standalone Financial Results of Indowind Energy Limited ('the Company') for the quarter ended March 31, 2019 and the year to date results for the period April 1, 2018 to March 31, 2019 ("the statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/FAC/62/2016 dated 5th July, 2016. These quarterly as well as the year to date standalone financial results have been prepared on the basis of the standalone financial statements which are the responsibility of the company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the current and the previous financial years respectively. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Sanjiv Shah & Associates

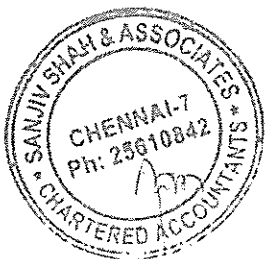
Chartered Accountants

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3. Basis of Qualified Opinion:

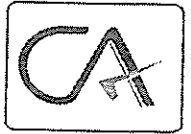
- i) We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of rephasement due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @LIBOR(6M)+400 Bps for \$ 10 million and LIBOR(6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31, 2019 would have been lower by Rs.573.18 lakhs.
- ii) The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408:2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding. Interest overdue and liquidated damages as on December 31, 2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.
- iii) The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest rate payable @ 16% pa with monthly rests as against the earlier rate of interest @LIBOR(6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honourable High Court of Bombay.
- iv) Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of Rs.365.35 lakhs on February 22, 2019 against the interest overdue. However, the company has



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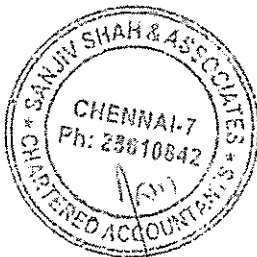
reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.

- v) We refer to Note No.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case.
- vi) We refer to Note No. 8 to the financial statements in respect of other non-current assets of Rs.1002 lakhs relating to 2.50 MW consisting of 7 Machines which are not in working condition. Hence provision is required. However, the management is hopeful of repowering these machineries in working condition.

4. Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects/possible effects of our observation stated in para 3 above and Emphasis of Matters*, these quarterly financial results as well as the year to date financial results:

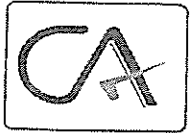
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/FAC/62/2016 dated July 5,2016, in this regard; and
- (ii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended March 31,2019 as well as the year to date results for the period from April 1,2018 to March 31,2019.



Sanjiv Shah & Associates

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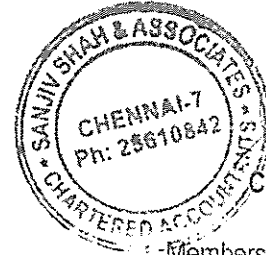


5. Emphasis of Matters:

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

Our report is not modified in respect of this matter

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



CA G Ramakrishnan
CA G Ramakrishnan
Partner
Membership Number: 209035

Place: Chennai
Date: 30 May, 2019

ANNEXURE I**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Financial Results - Standalone**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2015]				
(Rs. In Lakhs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover /Total Income	2,112.87	2,076.98
	2.	Total Expenditure	3,073.22	3,646.40
	3.	Net Profit/(Loss)	-960.35	-1,569.42
	4.	Earnings Per Share (in Rs.)	-1.37	-1.75
	5.	Total Assets	30,154.77	29,116.43
	6.	Total Liabilities	10,195.16	10,768.34
	7.	Net Worth	19,959.61	18,348.09
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

Annexure - II**Audit Qualification:****a. Detail of Audit Qualification:**

- i. We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of rephasement due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @ LIBOR (6M) + 400 Bps for \$ 10 million and LIBOR (6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31,2019 would have been lower by RS.573.18 lakhs
- ii. The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408 : 2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding, Interest overdue and liquidated damages as on December 31,2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.
- iii. The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest rate payable @ 16% pa with monthly rests as against the earlier rate of interest @ LIBOR (6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honorable High Court of Bombay.

iv. Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of RS.365.35 lakhs on February 22, 2019 against the interest overdue. However, the company has reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.

b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

i. Quantified at Rs. 573.18 Lakhs

ii. Not quantified

iii. Not quantified

iv. Quatified at Rs. 35.89 Lakhs.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification: i. to iv

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

The exchange rate as per the projected cost and means of finance was Rs.45.20 / USD. Subsequently, the company had also executed a Trust and Retention Account (TRA) with Exim Bank determining the order of priority of apportionment of project collections as, Trust bank charges, Asset

management expenses, Charges to lenders, Principal to lenders, Topping up of DSRM and Surplus to borrower.

There was delay in release of loan amount by the bank. This impacted the timely commencement of the project. The bank released USD 10 Mn. only in May 2011. The company could complete 6 MW assets and had to meet huge interest cost to bank due to delay in release of further funds. Subsequently, the bank also modified the terms of sanction in accordance with which, the company provided additional deposit and third party security by way of 40 lakh shares of the company on the condition that entire sanctioned loan would be released. Thereafter, the bank released only USD 1.84 Mn. for completing additional 2 MW project. The bank had also debited USD 0.18 Mn. towards penalty and also created a deposit in lieu of charging the lands of the project, to the tune of USD 0.61 Mn. Bank did not release the balance loan sanctioned to the company. The bank also increased the interest rate on the loan while giving very less interest on the funds withheld by the bank in the form of deposits. The company objected to all this as this could affect the long term viability of the project. Combination of all these complications resulted in completion of only 8 MW and also jeopardized the advances made by the company for the whole project. The wind mill project can service the INR loan only at around 8 to 9% and USD loan only @ 3 to 4% based on the tariff policy of the GOI. Due to High rate of interest coupled with non-revision of tariff by the Electricity Board, the company represented to the bank by placing plea to reduce the interest rate to a lower level and increase the repayment tenure and rectify the effect of excess fee, penalty, deposit along with cumulative interest effect on the cash flow for the sustainability of the project in line with earnings of the project. As there was no definite action for relief from the bank for releasing the balance sanctioned amount and rectification of the cumulative effect of the above, the company approached the Hon'ble High Court of Bombay for the above reliefs. The 8 MW project put up with the bank's assistance earns on an average Rs. 5.50 crores p.a. and so far, the project has repaid to the bank to the tune of Rs. 32.95 crores to the bank for the project. The project is expected to work for more than 20 years and expected to earn more than

Rs. 110 crores at current tariff levels. The management believes the tariff will go up in future to yield more revenue from the project . Hence the project is considered to be financially sound to service the debts on its own to the bank.

- ii. If management is unable to estimate the impact, reasons for the same:

The outcome is dependent on future events.

- iii. Auditors' comment on (i) or (ii) above:

AS referred in the auditors' report, pending litigation before the Honourable High Court of Bombay, auditors are unable to comment on the matter including consequential adjustments that may be required wherever not quantified.

v. We refer to Note NO.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case

b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

Quantified.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification:

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

ii. If management is unable to estimate the impact, reasons for the same:

Not applicable

iii. Auditors' comment on (i) or (II) above:

AS referred in the auditors' report, pending litigation before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case, auditors are unable to comment on the matter including consequential adjustments that may be required.

vi. We refer to Note No. 8 to the financial statements in respect of other non-current assets of RS.1002 lakhs relating to 2.50 MW consisting of 7 Machines which are not in working condition. Hence provision is required. However, the managements hopeful of repowering these machineries in working condition.

b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

Quantified.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification:

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

ii. If management is unable to estimate the impact, reasons for the same:

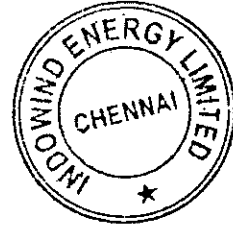
Not applicable

iii. Auditors' comment on (i) or (II) above:

AS referred in the auditors' report, based on the assessment of the current working condition of the machines, provision is

required, auditors are unable to comment on future viability of the machineries.

III) Signatories:



Executive Director

CFO

Audit Committee Chairman

Statutory Auditor

Place: Chennai
Date: 30th May 2019



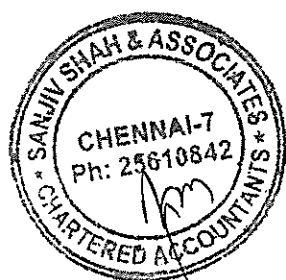
Auditor's Report on Quarterly and Year to Date Consolidated Financial Results of Indowind Energy Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of
Indowind Energy Limited, Chennai

1. We have audited the accompanying Consolidated Financial Results of Indowind Energy Limited ("the Company"), and its subsidiary (the Company and its subsidiary together referred to as "the group") for the year ended 31 March 2019, ("the Statement"), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016. These quarterly and annual consolidated financial results have been prepared on the basis of consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under section 133 of the companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

Attention is drawn to the fact that the figures for the quarter ended March 31, 2019 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the current and the previous financial years respectively. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

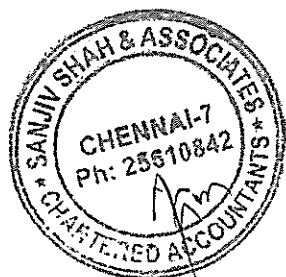
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.





3. Basis of Qualified Opinion:

- i) We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of rephasement due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @LIBOR(6M)+400 Bps for \$ 10 million and LIBOR(6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31, 2019 would have been lower by Rs.573.18 lakhs.
- ii) The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408:2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding, Interest overdue and liquidated damages as on December 31, 2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.
- iii) The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest rate payable @ 16% pa with monthly rests as against the earlier rate of interest @LIBOR(6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honourable High Court of Bombay.
- iv) Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of Rs.365.35 lakhs on February 22, 2019 against the interest overdue. However, the company has reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid





down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.

- v) We refer to Note No.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case.
- vi) We refer to Note No. 8 to the financial statements in respect of other non-current assets of Rs.1002 lakhs relating to 2.50 MW consisting of 7 Machines which are not in working condition. Hence provision is required. However, the management is hopeful of repowering these machineries in working condition.

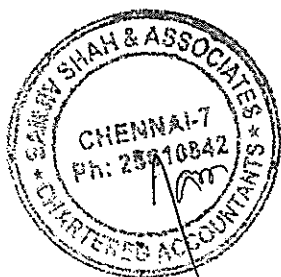
4. Qualified opinion:

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects/possible effects of our observation stated in para 3 above and Emphasis of Matters*, these consolidated quarterly financial results as well as year to date results:

- (a) Include the financial results of the following entity:

Name of the entity	Relationship
Indowind Power Private Limited	Subsidiary

- (b) have been presented in accordance with the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5,2016, in this regard; and
- (c) give a true and fair view of the consolidated financial performance including other comprehensive income and other financial information for the quarter ended and for the period from April 01,2018 to March 31,2019.





5. Emphasis of Matters:

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

Our report is not modified in respect of this matter.

6. Other Matters:

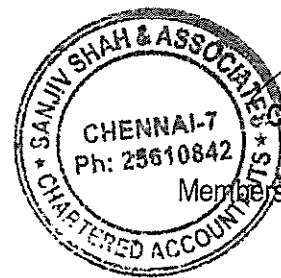
We did not audit the financial statements and other financial information of one subsidiary incorporated in India included in the annual consolidated financial results, whose financial statements reflect total assets of Rs. 1127.11 lakhs, total revenue of Rs. 141.35 Lakhs and total Gain of Rs. 0.29 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the aforesaid subsidiary is based solely on such audited financial statements.

Our opinion is not modified in respect of this matter.

For Sanjiv Shah & Associates

Chartered Accountants

Firm's Registration Number: 003572S



Sanjiv Shah

G Ramakrishnan

Partner

Membership Number: 209035

Place: Chennai

Date: 30 May, 2019

ANNEXURE I**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Financial Results - Consolidated**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2015]				
(Rs. In Lakhs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover /Total income	2,622.42	2,586.53
	2.	Total Expenditure	3,582.41	4,155.59
	3.	Net Profit/(Loss)	-960.00	-1,569.06
	4.	Earnings Per Share (in Rs.)	-1.37	-1.75
	5.	Total Assets	30,233.00	29,194.66
	6.	Total Liabilities	10,196.87	10,770.05
	7.	Net Worth	20,036.13	18,424.61
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

Annexure - II**Audit Qualification:****a. Detail of Audit Qualification:**

- i. We draw attention regarding impact on the Profit for the quarter and year ended March 31, 2019 Where the Company has not provided for Penal Interest, Additional Interest charged against the loan sanctioned of \$ 12.89 Million by EXIM Bank on account of revocation of rephasing due to default in repayment of principal, interest and other amounts with effect from 31.05.2014. Also the Company has provided for Interest against the loan @4.4% as against the rate of interest @ LIBOR (6M) + 400 Bps for \$ 10 million and LIBOR (6M)+450 bps for the balance release of \$2.89 million as per the bank sanction letter. The Company has filed a case against the EXIM bank on non-release of the balance loan of \$12.11 million as per the initial agreed terms and the matter is pending before Honourable High Court of Bombay. As the outcome of the case is uncertain, the recognition of Contingencies in financial statements is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013. Had the interest, penal and additional interest been provided in line with the bank, the net profit for the quarter and year ended March 31,2019 would have been lower by RS.573.18 lakhs
- ii. The EXIM bank has recalled the loan vide letter reference No: EXIM: ChRO: 408 : 2018-19 dt: Jan 23, 2019 for total of USD 12.12 million towards Principal outstanding, Interest overdue and liquidated damages as on December 31,2018. In the event of the Company not able to repay the loan recalled then the bank can recover from the 8 MW WEGs movable fixed assets on which the bank is having first charge by way of hypothecation against the loan sanctioned. These assets are the one which generate the income to service the loan and accordingly will have effect on the generation and future income to the company.
- iii. The EXIM bank has converted the Loan outstanding in to INR as on 12.02.2019 with interest rate payable @ 16% pa with monthly rests as against the earlier rate of interest @ LIBOR (6M) + 4/4.5 with quarterly rests as applicable on USD loan. The Company has continued to maintain the loan in USD even after the bank has converted into INR. The upward revision in the interest rate charged by the bank will increase the interest liability to the company in future years. However, the company is litigating the action of the bank in converting Dollar loan into rupee loan & Interest rates before the Honorable High Court of Bombay.

iv. Fixed deposits charged against the Loan from EXIM bank has been adjusted by the bank of RS.365.35 lakhs on February 22, 2019 against the interest overdue. However, the company has reflected the same under Current Assets in Note No.12 bank balances showing closing balance of Rs.401.24 lakhs which is not in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards. In our opinion, the management has to recognize the provision to adjust the carrying amount of the Fixed Deposit. Had the provision been made, the net profit for the quarter and year ended March 31,2019 would have been lower by Rs.35.89 lakhs.

b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

i. Quantified at Rs. 573.18 Lakhs

ii. Not quantified

iii. Not quantified

iv. Quantified at Rs. 35.89 Lakhs.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification: i. to iv

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

The exchange rate as per the projected cost and means of finance was Rs.45.20 / USD. Subsequently, the company had also executed a Trust and Retention Account (TRA) with Exim Bank determining the order of priority of apportionment of project collections as, Trust bank charges, Asset

management expenses, Charges to lenders, Principal to lenders, Topping up of DSRM and Surplus to borrower.

There was delay in release of loan amount by the bank. This impacted the timely commencement of the project. The bank released USD 10 Mn. only in May 2011. The company could complete 6 MW assets and had to meet huge interest cost to bank due to delay in release of further funds. Subsequently, the bank also modified the terms of sanction in accordance with which, the company provided additional deposit and third party security by way of 40 lakh shares of the company on the condition that entire sanctioned loan would be released. Thereafter, the bank released only USD 1.84 Mn. for completing additional 2 MW project. The bank had also debited USD 0.18 Mn. towards penalty and also created a deposit in lieu of charging the lands of the project, to the tune of USD 0.61 Mn. Bank did not release the balance loan sanctioned to the company. The bank also increased the interest rate on the loan while giving very less interest on the funds withheld by the bank in the form of deposits. The company objected to all this as this could affect the long term viability of the project. Combination of all these complications resulted in completion of only 8 MW and also jeopardized the advances made by the company for the whole project. The wind mill project can service the INR loan only at around 8 to 9% and USD loan only @ 3 to 4% based on the tariff policy of the GOI. Due to High rate of interest coupled with non-revision of tariff by the Electricity Board, the company represented to the bank by placing plea to reduce the interest rate to a lower level and increase the repayment tenure and rectify the effect of excess fee, penalty, deposit along with cumulative interest effect on the cash flow for the sustainability of the project in line with earnings of the project. As there was no definite action for relief from the bank for releasing the balance sanctioned amount and rectification of the cumulative effect of the above, the company approached the Hon'ble High Court of Bombay for the above reliefs. The 8 MW project put up with the bank's assistance earns on an average Rs. 5.50 crores p.a. and so far, the project has repaid to the bank to the tune of Rs. 32.95 crores to the bank for the project. The project is expected to work for more than 20 years and expected to earn more than

Rs. 110 crores at current tariff levels. The management believes the tariff will go up in future to yield more revenue from the project . Hence the project is considered to be financially sound to service the debts on its own to the bank.

- ii. If management is unable to estimate the impact, reasons for the same:

The outcome is dependent on future events.

- iii. Auditors' comment on (i) or (II) above:

AS referred in the auditors' report, pending litigation before the Honourable High Court of Bombay, auditors are unable to comment on the matter including consequential adjustments that may be required wherever not quantified.

v. We refer to Note NO.4 to the financial statements in respect of Capital advance shown under Property, Plant & Equipment under Non-Current Asset of Rs. 2828.11 lakhs which is related to the compensation claim from Suzlon Energy Ltd for non-performance of the machines purchased. The company has won arbitration in its favour against the claim made. However, Suzlon Energy Ltd has filed an appeal before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case

b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

Quantified.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification:

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

ii. If management is unable to estimate the impact, reasons for the same:

Not applicable

iii. Auditors' comment on (i) or (II) above:

AS referred in the auditors' report, pending litigation before the Honourable High Court of Madras. Hence recoverability of the claim is based on the outcome of the case, auditors are unable to comment on the matter including consequential adjustments that may be required.

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b. Type of audit qualification:

Qualified opinion

c. Frequency of Qualification: First time

d. For the Audit Qualification(s) where impact is quantified by the Auditor, management views:

Quantified.

e. For Audit Qualification(s) where impact is not quantified by the auditors:

i. Management's estimation on the impact of audit qualification:

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

ii. If management is unable to estimate the impact, reasons for the same:

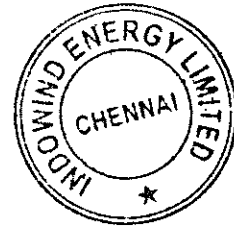
Not applicable

iii. Auditors' comment on (i) or (II) above:

AS referred in the auditors' report, based on the assessment of the current working condition of the machines, provision is

required, auditors are unable to comment on future viability of the machineries.

III) Signatories:



Executive Director

CFO

Audit Committee Chairman

Statutory Auditor

Place: Chennai
Date: 30th May 2019