

## **PROFILE**

Board of Directors

Sri. T.K.Chandiran -Director

Smt. C.Selvi- Director

### **WINDMILL LOCATIONS**

- NO. P-882, SF.NO.16/2B, Periya Kalanthai Village, Pollachi (TK), Coimbatore ( DT).
- SF.NO.914/3A of Udayathur Village, Tirunelveli (DT).

#### **Our Auditors**

Haribhakthi & Co,  
Shree Shanmugappriya , 2nd Floor,  
454, Ponnaiyan Street, Crosscut Road,  
Gandhi Puram, Coimbatore -641 012.

#### **Our Bankers**

HDFC Bank Limited  
Oppanakara Street, Coimbatore -641 001.

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**NACHAS WIND ENERGY PRIVATE LIMITED, COIMBATORE**

**NOTICE OF THE SHARE HOLDERS**

Notice is hereby given that the First Annual General Meeting of the company will be held on Friday, the 27<sup>th</sup> September 2013 at 10.00 a.m at the Registered office of the company at No.637, Oppanakara Street, Coimbatore-641 001, to consider the following subjects.

All the share holders are requested to attend the same.

**Agenda**

**As ordinary business ;**

- (a) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013, the statement of profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- (b) To appoint auditors for the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting and fix their remuneration.

**Notes :**

1. Every member entitled to attend and vote at the meeting, is entailed to appoint a proxy to attend and vote instead of himself/herself. Such proxy need not be a member of the company.
2. Members are requested to notify change in their address, if any.
3. Members wishing to avail nomination facility pursuant to section 109A of the companies Act, 1956, are requested to forward the prescribed Form 2A, to the registered office of the company.

(BY ORDER OF THE BOARD)

*T.K. Chandiran.*

(T.K.CHANDIRAN)  
DIRECTOR

Place: Coimbatore  
Date : 25.09.2013

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the First Annual Report of the company for the period starts from 05<sup>th</sup> June 2012 to 31st March 2013.

<b>FINANCIAL RESULTS</b>	<b>31<sup>ST</sup> MAR, 2013</b>	<b>31<sup>ST</sup> MAR,2012</b>
	Rs.	Rs
Revenue from Operations	1,90,02,643.00	NA
Less: Total Expenses	1,39,11,946.00	NA
Profit / ( Loss) before Tax & Dep	50,90,697.00	NA
Tax Expense – Current Tax	10,04,187.00	NA
Profit / (Loss) for the year	35,07,121.00	NA
Balance Brought Forward	Nil	NA
Surplus carried to Balance Sheet	35,07,121.00	NA

After providing for all expenses / outgoings , the company has earned a net profit of . Rs.35,07,121 /- tax absorbing an amount of Rs. 10,04,187 /-

Your Company incorporated on 05.06.2012. The company was primarily established to carry on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of wind, Hydel, biomass, woody waste, solar, steam, fossil fuels, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.

### **DIVIDEND :**

With a view to conserve the resources for the forthcoming new projects, the Directors have decided to skip dividend on Equity Shares for the year under review.

## **CAPITAL EXPENDITURE:**

During the period under review, the Company did incur Capital Expenditure to the tune of Rs.27,30,000 /-

## **DEPOSITS:**

During the year under review, the Company has not accepted any Deposits within the meaning of the provisions of Section 58A of the Companies Act, 1956.

## **PARTICULARS OF EMPLOYEES:**

There are no employees covered by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

## **CURRENT YEAR PROSPECTS :**

The company continues to deal in generating Power from Wind Energy . These operations are carried out from # P-882, SF.NO.16/2B, Periya Kalanthai Village, Pollachi (TK), Coimbatore (DT) and # SF.NO.914/3A of Udayathur Village, Tirunelveli (DT).

The windmills at Pollachi and Tirunelveli were fully operational during the wind season from June-12 to March -13. The wind mill energy being supply to TNEB for few months and then entered into Captive Energy business model has resulted in better cash flow.

## **DIRECTORS**

Mr.T.K.Chandiran and Mrs.C.Selvi were appointed as the first Directors of the Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2A) of the Companies Act, 1956, the Directors Confirms:

- I. that in preparation of the annual accounts, the accounting standards have been followed to the extent applicable and there has been no material departure:
- II. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013.
- III. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- IV. That the annual accounts have been prepared on a going concern basis.

## AUDITORS

The Auditors, **M/S., Hari Bakthi & Co**, hold office until the conclusion of the ensuing Annual General Meeting. The Directors recommend that **M/S., Hari Bakthi & Co**, Chartered Accountants be appointed as the Statutory Auditors of the Company at the forthcoming Annual General Meeting of the Company to hold office till the conclusion of the next Annual General Meeting of the Company.

## EMPLOYEE RELATIONS:

The relationship with employees continued to remain cordial throughout the year under review.

## ACKNOWLEDGEMENT:

The Directors wish to place on record the co-operation and support received from various agencies and look forward to their continued support in the years to come.

**For and on behalf of the Board**

*T.K.Chandiran .*

T.K.CHANDIRAN  
DIRECTOR

*e. Selvi*

C.SELVI  
DIRECTOR

**Place : Coimbatore**

**Date: 25<sup>th</sup> September 2013**

## INDEPENDENT AUDITORS' REPORT

To the Members of Nachas Wind Energy Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Nachas Wind Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the period then ended and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013; and
- (b) in the case of the Statement of Profit and Loss, of the Profit for the period ended on that date.



## Report on Other Legal and Regulatory Requirements

1. This report does not contain a statement on the matters specified in paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. As the company is a private limited company, the provisions of section 274(1)(g) of the Companies Act, 1956 are not applicable.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W

C.S.Sathyanarayanan

Partner

Membership No.028328

Coimbatore

September 25<sup>th</sup>, 2013.





NACHAS WIND ENERGY PRIVATE LIMITED

Balance Sheet as at 31st March 2013

( Amount in ₹ )

PARTICULARS	Note No.	As at 31st March, 2013
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
Share Capital	2	6,76,000
Reserves and Surplus	3	35,07,121
<b>Non-Current Liabilities</b>		
Deferred Tax Liability	4	5,79,389
<b>Current Liabilities</b>		
Other Current Liabilities	5	25,77,615
Short Term Provisions	6	6,54,187
<b>Total</b>		<b>79,94,312</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Fixed Assets	7	
Tangible Assets		25,08,550
Long Term Loans & Advances	8	5,000
<b>Current Assets</b>		
Trade Receivables	9	33,17,891
Cash and Cash Equivalents	10	18,19,805
Other Current Assets	11	3,43,066
<b>Total</b>		<b>79,94,312</b>

Summary of Significant Accounting Policies

1

The accompanying notes 2 to 24 are an integral part of the financial statements

Vide our report of date attached

For Haribhakti & Co.

Chartered Accountants

Firm Registration No. 103523W



C.S.SATHYANARAYANAN

Partner

Membership No. 028328

For and on behalf of the Board of Directors



T.K.Chandiran

Director




C.Selvi

Director

Place : Coimbatore

Date : 25.09.2013

**NACHAS WIND ENERGY PRIVATE LIMITED**

**NOTE NO: 1**

**I. SIGNIFICANT ACCOUNTING POLICIES:**

**(i) ACCOUNTING CONVENTION**

The Financial statements have been prepared under the Historical Cost Convention, under accrual method of accounting and as a going concern, in accordance with the Generally Accepted Accounting Principles (GAAP) prevalent in India and the Mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and according to the provisions of the Companies Act, 1956.

**(ii) FIXED ASSETS**

Fixed Assets are stated at original cost net of tax / duty credits availed, if any, less accumulated depreciation, amortization and impairment. Cost includes preoperative expenses and all expenses related to acquisition and installation of the concerned assets.

**(iii) BORROWING COSTS**

Borrowing Costs attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets. All the other borrowing costs are charged to revenue.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

**(iv) IMPAIRMENT OF ASSETS**

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment so as to determine.

- a) the provision for impairment loss, if any, required or
- b) the renewal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**(v) INVESTMENTS**

Current Investments are carried at lower of cost and market value. Long Term Investments are stated at cost. Provisions for diminution in value of long-term investments are made, if the diminution is other than temporary.

**(vi) DEPRECIATION AND AMORTIZATION**

Depreciation is provided on Written Down Value Method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the company for its use.

**(vii) INVENTORIES**

Inventories are valued at lower of cost and estimated net realizable value.



**(viii) FOREIGN CURRENCY TRANSACTIONS**

- a) Foreign Currency Transactions are recorded at exchange rates prevailing on the date of such transaction.
- b) Foreign Currency monetary assets and liabilities at the year end are realigned to the exchange rate prevailing at the year end and the difference on realignment is adjusted in the cost of the respective assets.
- c) Non-monetary foreign currency items are carried at cost.

**(ix) REVENUE RECOGNITION**

- a) Income and Expenditure are generally accounted on accrual basis except those with significant uncertainties.
- b) Sales are recognized once goods are invoiced and sold/delivered and accounted net of all taxes.

**(x) TAXES ON INCOME**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(xi) RETIREMENT BENEFITS**

- a) Payments to defined contribution schemes are charged as expense as and when incurred.
- b) Post employment and other long term benefits which are defined benefit plans are recognized based on the present value of the obligation determined in accordance with Accounting Standard (AS) - 15 on "Employee Benefits".



**EQUITY AND LIABILITIES**

## Notes to Financial Statements

**SHAREHOLDERS' FUNDS**

## Note No.2 SHARE CAPITAL

Share capital	As at 31.03.2013	
	In Numbers	Amount in ₹
<b>Authorised</b>		
1,00,000 Equity Shares of ₹ 10/- each	1,00,000	10,00,000
<b>Issued, Subscribed and Paid up</b>		
67,600 Equity Shares of ₹ 10/- Each	67,600	6,76,000
		<b>6,76,000</b>

**a) Terms/Rights attached to equity shares :**

The company has only one class of equity shares having a par value of ₹ 10 per share. Each equity shareholder is entitled to one vote per share.

**b) Details of Shareholders holding more than 5% shares in the company :**

Name of the shareholder	Equity Shares	
	As at 31.03.2013	
	No. of Shares held	% of Holding
Mr. T.K.Chandiran	40,000	59.17%
Ms. C.Selvi	10,000	14.79%
SKM Animal Feeds and Foods (India) Ltd	17,600	26.04%
	<b>67,600</b>	<b>100.00%</b>

**c) Reconciliation of Number of Shares outstanding:**

Particulars	Equity Shares	
	As at 31.03.2013	
	In Numbers	Amount in ₹
Shares outstanding at the beginning of the year	-	-
Shares issued during the year	67,600	6,76,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>67,600</b>	<b>6,76,000</b>

## Note No.3 RESERVES &amp; SURPLUS

Reserves and Surplus	As at
	31.03.2013
	Amount in ₹
Surplus in the Statement of Profit & Loss	
Opening balance	-
Add : Net profit transferred from Statement of Profit and Loss	35,07,121
	<b>35,07,121</b>

## Note No.4 DEFERRED TAX LIABILITY

Deferred Tax Liability	As at
	31.03.2013
	Amount in ₹
Deferred Tax Liability on account of Accumulated Depreciation	5,79,389
	<b>5,79,389</b>



**Notes to Financial Statements****Note No.5 OTHER CURRENT LIABILITIES**

Other current Liabilities	As at 31.03.2013
	Amount in ₹
Statutory Dues	1,40,015
Other Payables	24,37,600
	<b>25,77,615</b>

**Note No.6 SHORT TERM PROVISIONS**

Short term provisions	As at 31.03.2013
	Amount in ₹
Provision for Tax (Net)	6,54,187
	<b>6,54,187</b>

**ASSETS****NON CURRENT ASSETS****Note No.8 LONG TERM LOANS AND ADVANCES**

Long term Loans and Advances	As at 31.03.2013
	Amount in ₹
Unsecured considered Good Security Deposits	5,000
	<b>5,000</b>

**CURRENT ASSETS****Note No.9 TRADE RECEIVABLES**

Trade Receivables	As at 31.03.2013
	Amount in ₹
a) Debts outstanding for a period exceeding six months	-
b) Other Debts Unsecured considered Good	33,17,891
	<b>33,17,891</b>

**Note No.10 CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents	As at 31.03.2013
	Amount in ₹
<u>Cash and Cash Equivalents</u>	
Cash on Hand	3,135
Balance with Banks In Current Account	18,16,670
	<b>18,19,805</b>

**Note No.11 OTHER CURRENT ASSETS**

Other Current Assets	As at 31.03.2013
	Amount in ₹
Dues from Related Party (Refer Note No.17)	3,43,066
	<b>3,43,066</b>



Notes to Financial Statements

Note No.7 - FIXED ASSETS

Particulars	Rate	Gross Block				Depreciation			Net Block		
		As on 01.04.2012	Additions	Deletions	As on 31.03.2013	Upto 31.03.2012	For the Year	Withdrawn	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
<u>Tangible Assets</u>											
Windmill No.1221	15.33%	-	6,82,500	-	6,82,500	-	85,422	-	85,422	5,97,078	-
Windmill No.1430	15.33%	-	20,47,500	-	20,47,500	-	2,56,265	-	2,56,265	17,91,235	-
Computer	40.00%	-	1,26,850	-	1,26,850	-	41,426	-	41,426	85,424	-
Furniture & Fittings	18.10%	-	40,850	-	40,850	-	6,037	-	6,037	34,813	-
<b>Total</b>		-	<b>28,97,700</b>	-	<b>28,97,700</b>	-	<b>3,89,150</b>	-	<b>3,89,150</b>	<b>25,08,550</b>	-



**Note No. 16 EARNINGS PER SHARE** ( Amount in ₹ )

Earnings Per Share	2012-13
Profit/(Loss) after Tax	35,07,121
Equity Shares of ₹ 10 each (No.s)	67,600
Weighted Average No. of Shares	48,750
Earnings Per Share (in ₹)	71.94

**Note No. 17 RELATED PARTY DISCLOSURES**

(i) List of related parties with whom transactions have taken place during the year 2012-13 and relationship:

(a) Key Management Personnel:

- Mr. T.K.Chandiran
- Ms.C.Selvi

(b) Others: (Enterprise over which key management personnel are able to exercise significant influence)

- The KTM Jewellery Limited

(ii) Related Party Transactions:

( Amount in ₹ )

Nature of Transactions	Key Management Personnel	Others
	2012-13	2012-13
Purchases of Fixed Assets	6,82,500	20,47,500
Director's Remuneration	4,00,000	-
Reimbursement of expenses	-	90,79,967
Income Accrued	-	69,88,383
Dues from Related parties	-	3,43,066

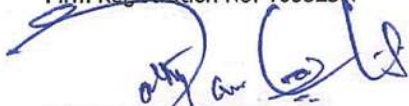
- 18 The company was incorporated as on 05/06/2012 vide Registration No. U40108TZ2012PTC018332 with the object of generation and distribution of power. The financial statements are drawn for the period 05/06/2012 to 31/03/2013.
- 19 Preliminary Expenses has been charged to the Statement of Profit & Loss.
- 20 Contracts to be executed on Capital account - Nil
- 21 Earnings in Foreign Currency is ₹ Nil
- 22 Expenditure in Foreign Currency is ₹ Nil.
- 23 Figures have been rounded off to the nearest rupee.
- 24 This being the first year of incorporation, furnishing of Previous Year's figures does not arise.

Vide our report of date attached

For Haribhakti & Co.

Chartered Accountants

Firm Registration No. 103523W



C.S.SATHYANARAYANAN

Partner

Membership No. 028328

Place : Coimbatore

Date : 25.09.2013

For and on behalf of the Board of Directors



T.K.Chandiran

Director



C.Selvi

Director



**NACHAS WIND ENERGY PRIVATE LIMITED, COIMBATORE**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No: U40108TZ2012PTC018332

State Code: 18

Date Of Incorporation : 05.06.2012

Balance Sheet : 31<sup>st</sup> March 2013

II. Capital Raised During The Year ( Amount Rs. Thousands)

Public Issue

Nil

Rights Issue

Nil

Bonus Issue

Nil

Private Placement

676.00

III. Position Of Mobilisation And Deployment Of Funds ( Amount Rs. Thousands)

Total Liabilities

7994.31

Total Assets

7994.31

Sources Of Funds

Paid-up Capital

676.0

Reserves & Surplus

3507.12

Secured Loans

Nil

Unsecured Loans

Nil

Application Of Funds

Net Fixed Assets

2508.55

Investment

0.00

Net Current Assets

5480.76

Misc. Expenditure

0.00

Accumulated Losses

0.00



IV. Performance Of Company ( Amount Rs. Thousands)

Turnover	19002.64	Total Expenditure	13911.94
Profit/Loss Before Tax	5090.69	Profit / Loss After Tax	3507.12
Earning per Share in Rs.	71.94	Dividend @ %	Nil

V. Generic Names Of Three Principal Products / Services Of Company (as per monetary terms )

Item Code No ( ITC Code)	Not Applicable
Product Description	Wind Energy Generation & Transmission