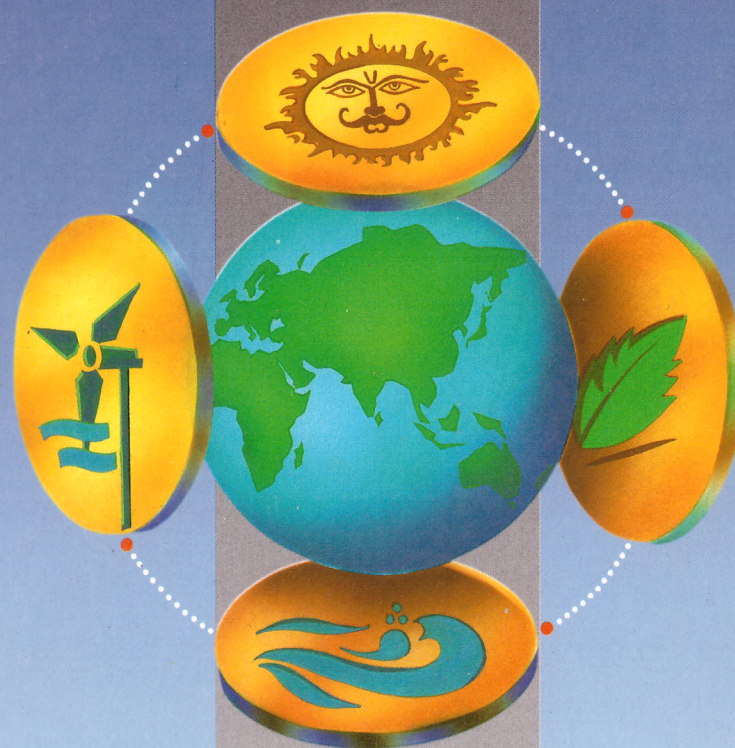


RENEWABLE
ENERGY
FOR THE
NEW

Millennium



Energy for Ever

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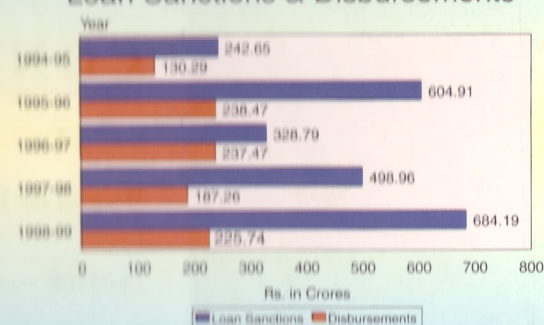
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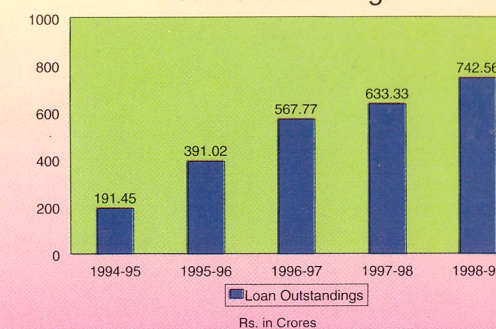
MISSION

“Be a pioneering, participant friendly and competitive institution for financing and promoting self-sustaining investment in energy generation from renewable sources and energy efficiency for sustainable development.”

IREDA's Operations
Loan Sanctions & Disbursements



IREDA's Operations
Loan Outstandings

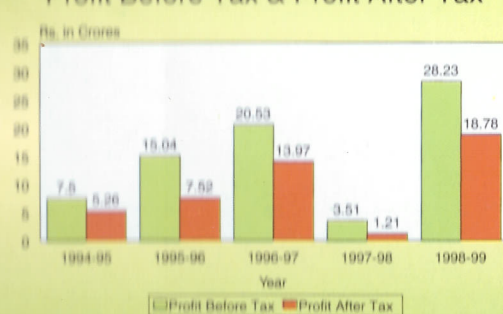


HIGHLIGHTS

(Rs. in Crores)

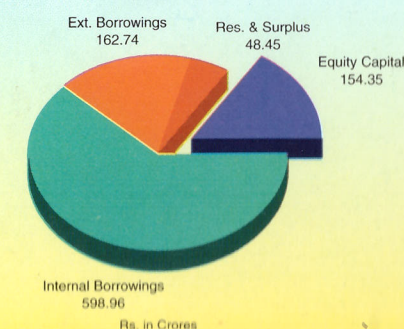
RESOURCES	1998-99	1997-98	1996-97	1995-96	1994-95
Equity Capital	154.35	114.35	90.35	62.35	38.35
Reserves & Surplus	48.45	34.12	32.50	21.60	15.58
Borrowings (Internal)	598.96	468.36	424.48	231.89	75.00
Borrowings (External)	162.74	152.49	72.35	63.76	60.69
Total	964.50	769.32	619.68	379.60	189.62

IREDA's Working Results
Profit Before Tax & Profit After Tax



OPERATIONS	1998-99	1997-98	1996-97	1995-96	1994-95
Loan Sanctions	684.19	498.96	328.79	604.91	242.65
Disbursements	225.74	187.26	237.47	238.47	130.29
Repayment by Borrowers	108.23	110.16	57.65	31.02	21.42
Outstanding Loans (Net)	742.56	633.33	567.77	391.02	191.45
Working Results					
Gross Income	108.32	78.19	73.09	33.26	13.86
Profit before Tax	28.23	3.51	20.53	15.04	7.50
Profit after Tax	18.78	1.21	13.97	7.52	5.26
Earnings Per Share (Rs.)	121.64	10.60	155.00	120.67	210.40

IREDA's Resource Base
1998-99



BOARD OF DIRECTORS

Chairman	:	N. N. Mookerjee (w.e.f. 5.5.99)
	:	C.R. Kamalanathan (upto 5.5.99)
Managing Director	:	Dr. V. Bakthavatsalam
Directors	:	M. Venkateswaran
	:	T. Prabakaran (w.e.f. 1.1.99)
Company Secretary	:	R.K. Sachdeva

Registered Office

India Habitat Centre
East Court, Core-4 'A'
1st Floor, Lodi Road,
New Delhi – 110 003

Auditors

K.K. Ghei & Co.
Chartered Accountants
806, Hemkunt House,
6, Rajendra Place,
New Delhi – 110 008

Bankers

State Bank of Hyderabad
State Bank of India
Canara Bank
Union Bank of India
Bank of Baroda

NOTICE

NOTICE is hereby given that the Twelfth Annual General Meeting of the Shareholders of Indian Renewable Energy Development Agency Limited (IREDA) will be held on Wednesday, the 29th September, 1999 at 4.00 p.m. at IREDA's Registered Office at India Habitat Centre, Lodi Road, New Delhi – 110 003 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, audited Balance Sheet and Profit & Loss Account for the year ended on 31st March, 1999, Auditors' Report and Comments of Comptroller and Auditor General of India thereon.
2. To declare a Dividend.

SPECIAL BUSINESS

To consider, and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"Resolved that in supersession of resolution passed by the Shareholders at their meeting held on 26.9.97, the Board of Directors be and is hereby permitted under Section 293(1) (d) of the Companies Act, 1956 to borrow monies from time to time, to an extent it deems necessary for the needs of the Company, notwithstanding the fact that the monies already borrowed by the Company (apart from temporary

loans obtained from the bankers in the ordinary course of business) will exceed the aggregate of the Company's paid up capital and free reserves; provided that the total amount upto which monies may be borrowed by the Company shall not exceed Rs. 3000 crores (Rupees Three Thousand Crores) including sums already borrowed."

BY ORDER OF THE BOARD OF DIRECTORS

New Delhi (R.K. Sachdeva)
17th September, 1999 Company Secretary

1. All Shareholders of Indian Renewable Energy Development Agency Limited.
2. The Chairman and Directors of the Indian Renewable Energy Development Agency Limited.
3. M/s. K.K. Ghei & Co., Chartered Accountants, 806, Hemkunt House, 6, Rajendra Place, New Delhi-110 008.

NOTES:

1. The meeting has been convened by giving a shorter notice than required under the Companies Act, 1956 with the consent of all the Shareholders.
2. The relevant explanatory statement on Special Business pursuant to Section 173 of the Companies Act, 1956 is annexed hereto.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member.

IREDA is committed to protect and preserve jewels of mother earth

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

[Pursuant to Section 173 of the Companies Act, 1956]

- The Companies Act, 1956 requires a Public Limited Company to obtain the consent of the General Meeting, if the monies to be borrowed together with sums already borrowed [apart from the temporary loans obtained from the Company's bankers in the ordinary course of business] exceed aggregate of its paid up capital and free reserves.
- The Shareholders of IREDA at their meeting held on 26.9.97 fixed IREDA's borrowing limit at Rs. 2000 crores (Rupees Two Thousand Crores).
- The limit of Rs. 2000 crores approved by the Shareholders has already been exhausted consequent upon signing of loan documents for KfW line of credit. IREDA plans to borrow further

loans from IDA/IBRD (Ind line of Credit) for Small Hydro and Energy Efficiency sectors; Rupee loan against KfW line of credit; Tax free bonds; OECF line of credit, etc. Keeping this in view, the Board of Directors of IREDA at its 102nd Meeting held on 10.11.98 approved a proposal to request the Shareholders to raise the borrowing limit of the Company from existing Rs. 2000 crores to Rs. 3000 crores.

- The proposal is accordingly placed before the Shareholders for approval.
- None of the Directors of the Company is concerned or interested in this resolution.

BY ORDER OF THE BOARD OF DIRECTORS

New Delhi
17th September, 1999

(R.K. Sachdeva)
Company Secretary



IREDA financed 1.5 MW Small Hydro Project set up at Ongole branch canal, Darsi Village, Prakasam District, Andhra Pradesh, under the World Bank Programme.

Whispering Wind: Energy for the New Millennium

CHAIRMAN'S SPEECH



Dear Shareholders,

I have great pleasure in welcoming you all to the Twelfth Annual General Meeting of the Indian Renewable Energy Development Agency Limited. The Directors' Report and the audited Statements of Accounts for the year ended 31st March, 1999, duly certified by the Comptroller and Auditor General of India, have already been circulated and with your permission, I take them as read.

I have recently taken over as Chairman of your Company and I am happy to note that despite its fairly young age, IREDA has retained its financial strength through years of very rapid growth and in sectors with considerable technological and financial risks.

ECONOMIC ENVIRONMENT

In order to place your Company's operations in the proper perspective, I would like to present a brief overview of the macro-economic environment with particular reference to situations prevailing in the industrial and finance sectors. The World Economy continued to be affected by the aftermath of the Asian economic crisis and in India too the economy recorded a lower rate of growth. However, among the emerging markets, India still remained one of the few countries with a positive GDP growth. As you are aware, the economic environment had its effects on the renewable energy sector also and a major component thereof viz. wind energy development showed a declining growth rate. There are signs that

as the world economy picks up, the Indian economy will manage to ease out of its recessionary phase. Thus from the business point of view the year 1998-99 turned out to be a difficult one for the Indian industry as also for the country's financial sector. Even during this difficult economic scenario, IREDA could perform well with its dedicated efforts and prudent financial management and in fact could increase its market share in the renewable energy sector.

Thrust Areas

A remarkable feature of national economic planning for sustainable growth is the importance and thrust given by the Government of India to the development of the infrastructure sector including power. IREDA has an increasing portfolio of power generation from renewables, which is playing a significant role in supplementing the Indian power sector with environmentally benign and sustainable energy sources. At the same time the challenge ahead is to reach out to remote areas and to provide economically and commercially viable energy options for the vast rural population of our country by synergizing the niche application strengths of renewable energy sources.

PERFORMANCE HIGHLIGHTS

Loan Approvals

In this background, overall sanctions of IREDA in 1998-99 at Rs. 684.19 crores registered a remarkable growth of 37% over the previous year, while overall disbursements during the year increased by 21% to Rs. 225.74 crores. IREDA continued to treat financing of grid-quality power generation from renewables as a focus area, given its potential and importance for growth of the economy.

Impact Indicators

The loans sanctioned covers an addition to capacity to the extent of 208 mega watt electricity with a

cumulative achievement of 1017.11 MW over the last twelve years. In addition, other renewable energy projects sanctioned by IREDA would produce energy equivalent of 25,000 metric ton coal replacement per year (MTCR/year) with cumulative figures of 7.87 lakh MTCR/year.

Profitability

The financial performance has shown significant improvement during the year. The networth aggregated to Rs. 272.67 crores as at end of March, 1999, increasing 29% as compared to the previous year. IREDA's income at Rs.108.32 crores in 1998-99 increased by 39% over the previous year. Similarly, the profit before tax increased by eight times to Rs. 28.23 crores compared to Rs. 3.51 crores in the previous year.

Dividend

The Board of Directors has recommended a dividend of Rs. 4.00 crores, which is more than the minimum as per guidelines stipulated by the Government of India.

NPA Management

In a recessionary phase, temporary deterioration in asset quality is inevitable. This is more so in a sector with high technological and financial risks and dependence on on-going business environment. As at the end of March 1999, IREDA's non-performing assets (NPAs) as per RBI norms stood at 17.5% of total assets as compared to 21.5% at the end of March 1998. As assured during the last year, your Company strived hard to minimise the NPAs and it gave encouraging results with a reduction in NPA by Rs. 2.86 crores in absolute terms and by 2.15% compared to the previous year. However, I would like to inform you that almost all loans of IREDA are secured by charge on the fixed assets of the borrowers and after adjusting for the value of collateral, the net NPAs of IREDA come to only 1.64% of total assets. Nevertheless, I would like to assure you that we are giving due attention to the problem of rising NPAs. We are confident that the industrial performance will turn around in the near future as there are definite signs of improvement in performance of core sectors

in recent months. Renewable energy sector is showing sustained growth and stability and this gives ample confidence for containing NPAs in the coming years.

BUSINESS STRATEGY

In order to meet the emerging challenges and resource requirement, IREDA has evolved a strategy with a mixed portfolio of national and international funds. International co-operation has been a focus area with new loans negotiated with the World Bank and KfW. While the agreement for KfW line of credit has been signed, the formal approval for World Bank line of credit is yet to be received. These will supplement the resources for various renewable energy sector investments.

MoU with Government

Your Company has entered into MoU with MNES for the year 1998-99 also. The actual achievements exceeded the targets in respect of most of the parameters. The overall performance of the Company was provisionally rated as "Very Good."

Monitoring and Evaluation

We have considerably tightened the project monitoring mechanism to ensure timely completion of projects and to detect incipient sickness. Concurrent and post commissioning monitoring were taken up in key sectors. One of the notable activity taken up during the year was a hundred percent physical inspection of Wind Farms set up in different locations of Tamilnadu. A study of estimation of energy savings and resource conservation was completed during the year, which will provide useful information and methods to estimate the achievement of these parameters in IREDA financed projects.

Human Resource Development

In order to improve their skills and to acquaint them with latest technical and business developments in the renewable energy sector and financing arena, a number of employees were nominated to attend professional training courses and seminars/workshops on specialized subjects in India and abroad. Different Manuals for reference like Legal Manual, Manual on

Recovery of Loans, Project Monitoring and Evaluation Manual were adhered to during the year for streamlining and improving the operational efficiency of the staff. The Company continued to maintain harmonious and cordial relations with its employees and also provided suitable incentives to enable them to perform better on all fronts.

Networking

As a part of business strategy and to reach out to remote areas and also with a view to promote micro lending operations, the Company has been networking with Business Development Associates (BDAs) and Financial Intermediaries (FIs). As on 31st March 1999, 38 BDAs including those from private sector and NGOs have been empanelled for helping the Company to generate large business opportunities.

Y2K Compliance

I am happy to inform you that IREDA is well prepared to counter the Y2K problem. It has already ensured Y2K compliance in all the developed application software, procured hardware equipment, Oracle 7.3 and operating system-UNIX 10.x. Our borrowers are also advised to comply with Y2K requirements as a part of loan conditions.

CHALLENGES IN THE NEW MILLENNIUM

In the new millennium, the role and significance of renewable energy is expected to receive more dominant global attention. Renewable energy and the technologies that drive them provide not only power but also a vision for the future. An important appeal of renewables is that they apply sophisticated technologies with an abundant supply of low or non-polluting sources to address modern societies existing and growing energy needs and also usher hope for developing countries so that large segments of their societies can finally enjoy a better living standard and assured energy security.

In future there are prospects of reaching renewable energy to the remote areas through innovative financing models and mechanisms. Renewable energy sources are well adapted to rural electrification schemes. These may be hybrids and stand-alone systems providing uninterrupted power supply.

New Initiatives

IREDA has played the pioneer's role in all these activities by diversifying into Energy Efficiency and Demand Side Management (DSM), financing Biomass Power Generation projects from demonstration scale to commercial streams, promoting Energy Centers to create micro level enterprises in renewable energy marketing and also through financial intermediaries for micro-lending operations. New financing schemes to widen the portfolio and marketing efforts were introduced during the year. Renewable Energy Policy, Promotion & Development Grant Assistance for State Electricity Boards and Financing of Grid Inter-connection facility for eligible utilities for Renewable Energy Power Evacuation were introduced.

Future outlook

The need to ensure a sustainable form of development worldwide is helping drive the market for renewables especially in developing countries. This is also supported by the global pressure to reduce the use of fossil fuels thereby reducing production of green house gases. Your Company is preparing to accept these challenges in the form of an increased sanction target of Rs. 530.00 crores and disbursement target of Rs. 365.00 crores for the year 1999-2000 and also by promoting the concept of micro-lending through BDAs, Intermediaries and Energy Centers. The turn-around expected in the economy and increasing stability and acceptance of renewable sources of energy provide ample opportunity to IREDA for continued success.

APPRECIATION

I, on behalf of the Board of Directors place on record my deep appreciation and valuable contribution made and guidance provided by Shri Swarn Singh Boparai, K. C. and Shri C. R. Kamalanathan, the outgoing Chairmen.

I place on record my sincere thanks to the Ministry of Non-Conventional Energy Sources, the Ministry of Finance, the Planning Commission and other Ministries/Departments of Government of India for their continued co-operation and support during the year.

I also express my sincere thanks to my colleagues on the Board of Directors for their unstinted support and active and keen interest in the management of the affairs of the Company.

I am thankful to the World Bank, Swiss Development Cooperation, Global Environment Facility, Asian Development Bank, DANIDA, and Royal Government of the Netherlands, KfW, Germany and OECF, Japan for their continued co-operation to the Company.

I also take this opportunity to thank the Comptroller and Auditor General of India, the Statutory Auditors and Bankers for their co-operation.

I must thank our esteemed clients with whom we

enjoy a healthy business relationship. It will be our endeavour to strengthen this relationship for mutual benefit in the years to come. Above all, the sincere and dedicated services being rendered by the members of the staff deserve our appreciation.

May I now request that the Directors' Report, the audited Balance Sheet, the Profit and Loss Account and the Auditors' Report for the year ended 31st March, 1999, be adopted.

Thanking you all,

N. N. Mookerjee
Chairman

Place: New Delhi
Date: 17th September, 1999



Inauguration of IREDA sponsored 'Solar Traffic Lighting System' at Bhikaiji Cama Place, New Delhi.

DIRECTORS' REPORT

To the Shareholders,

It gives me great pleasure to present, on behalf of the Board of Directors, the Twelfth Annual Report on the working of Indian Renewable Energy Development Agency Limited together with the audited Statements of Accounts and the Auditors' Report for the year ended 31st March, 1999.

Your Directors are happy to report that the overall performance of the Company during the year has been very good, despite difficult economic and business environment.

LENDING OPERATIONS

The lending operations during 1998-99 registered appreciable growth. The loan sanctions amounted to Rs. 684.19 crores registering an increase of 37.12% over the amount sanctioned during the previous year. Similarly disbursements were Rs. 225.74 crores during the year which recorded an increase of 20.55% over the corresponding figures of the previous year. Cumulative sanctions and disbursements as on 31st March, 1999 were of the order of Rs. 2619.42 crores and Rs. 1122.87 crores respectively. Statewise and Sectorwise sanctions and

disbursements are indicated in Annexures I to IV respectively.

Sectorwise Sanctions and Disbursements during 1998-99

(Rs. in Crores)

Sector	Sanctions	Disbursements
Wind Energy	274.82	74.10
Small Hydro	116.01	70.87
Solar Thermal	8.57	5.18
Solar Photovoltaics	81.97	15.68
Biomethanation from Industrial Effluents	2.10	4.73
Biomass Co-generation (including Sugar Industry)	124.50	38.17
Biomass Power Generation	45.50	0.30
Biomass Briquetting	0.92	1.34
Biomass Gasification (including Power Generation)	2.27	2.84
Energy Efficiency & Conservation	27.15	12.50
Miscellaneous	0.38	0.03
Total	684.19	225.74



IREDA financed gasifier unit of 972 kW set up in village Raigir, District Nalgonda, Andhra Pradesh.



Under "IREDA Akshay Urja Gram Scheme" a solar lantern is handed over to a villager in village Kaikhali, Tehsil Kultali, District South 24 Pargana, West Bengal.

The loan sanctioned will result in establishment of additional installed capacity of 208 MW of electric power and 25000 MTCR saving per year. Electricity generating projects continued to receive highest priority, as they constitute 94% of the total loan sanctions. A 10 MW Waste Heat Recovery project was sanctioned for the first time under Energy Efficiency Sector initiative.

FINANCIAL PERFORMANCE

The overall financial performance for the year 1998-99 has been satisfactory. The key parameters of performance are listed below:

(Rs. in Crores)

	1997-98	1998-99	Percentage increase
Gross Income	78.19	108.32	38.53
Profit before Tax (including prior period adjustment)	3.51	28.23	704.27
Provision for Income Tax	2.30	9.45	310.87
Profit available for Appropriation (after adjustment of excess provision of Income Tax made in earlier years)	1.61	18.78	1066.46

The Profit and Loss account fully takes care of the RBI's latest prudential norms regarding income recognition and asset classification and also provides for Non-Performing Assets as per RBI guidelines.

APPROPRIATIONS

Your Directors recommend the following Appropriations:

(Rs. in Crores)

	1997-98	1998-99
Profit available for Appropriations (after adjustment of excess provision of Income Tax made in earlier years)	1.61	18.78
Appropriations		
i. NBFC Reserve Fund (20% of Net Profit)	0.24	3.76
ii. Dividend	-	4.00
iii. Dividend Tax	-	0.44
iv. Special Reserve u/s 36 (1)(viii) of the Income Tax Act	1.37	10.52
v. General Reserve	-	0.05
vi. Surplus carried to Balance Sheet	-	0.01

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 4.00 crores for the year 1998-99, which is 21.30% of the Profit after Tax.

RISK MANAGEMENT

The Company continued to take steps to mitigate and manage various business risks as a public financial institution.

RESOURCE MOBILISATION

During the year 1998-99, the Company mobilised

additional resources of Rs. 204.48 crores as given below:

(Rs. in Crores)

Sl. No	Source	Amount
1.	Equity	40.00
2.	Borrowings	160.70
3.	Grants-In-Aid	3.78
	Total	204.48

Details are at Annexure-V.

SHARE CAPITAL

As against Authorised Share Capital of Rs. 200 crores, Share Capital of the Company stood at Rs. 154.35 crores as on 31st March, 1999. Allocations of Rs. 42.00 crores as Equity Contribution and Rs. 2.00 crores for Technology Commercialisation Fund have been made for 1999-2000.

INTERNATIONAL ASSISTANCE IN THE PIPELINE

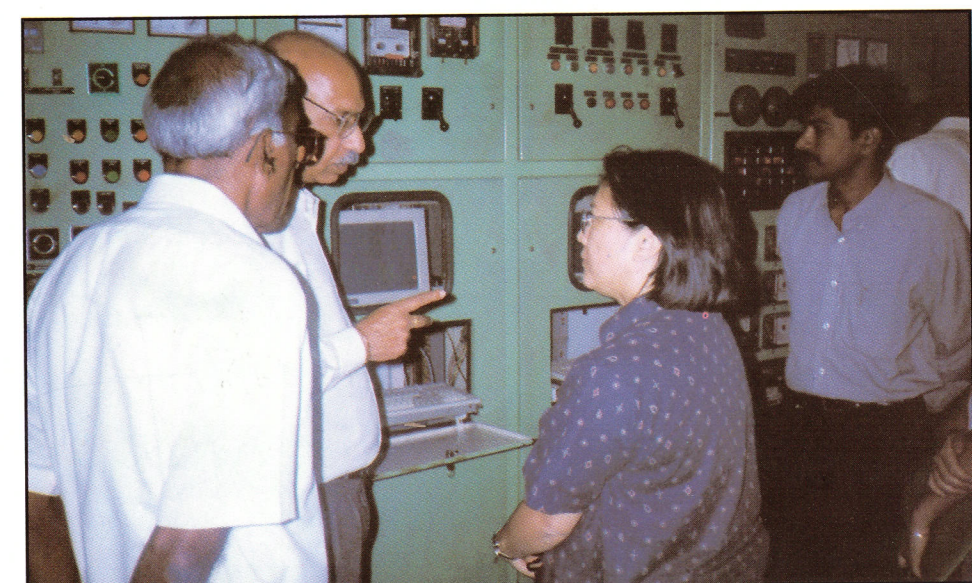
The following table indicates international assistance

in the pipeline:

Sl. No	Source	Amount
1.	World Bank	US\$ 135 million
2.	KfW , Germany	DM 120 million
3.	OECD , Japan	US\$ 85 million



SPV Street Lights set up in a factory in Ahmedabad with IREDA's assistance under World Bank Programme.



World Bank Mission visit a Small Hydro Project financed by IREDA under World Bank Programme, in Guntur District, Andhra Pradesh.

DEBT EQUITY RATIO

The Company's borrowings from all sources stood at Rs. 683.35 crores as on 31st March, 1999 against its networth of Rs. 272.67 crores. Debt as a ratio to Net Worth works out to 2.51:1, which is well below the ratio indicated in the Operational Policy Statement of the Company.

POLICIES AND NEW INITIATIVES

The Company reviewed its financing policy and revised the sectoral lending norms. New and Emerging sectors like Energy Efficiency and Conservation were also included in the financing portfolio. Some of the new initiatives include (i) Scheme for financing Establishment of Energy Centers by private entrepreneurs under pilot/demonstration project; (ii) Market Development Assistance (including Export Promotion) to assist

manufacturers/intermediaries and suppliers of renewable technologies, systems and devices to promote their products through various means for creating effective demand for their products both in India and abroad; (iii) Renewable Energy Policy, Promotion and Development Grant assistance for State Electricity Boards (SEBs) for establishing / strengthening the activities relating to promotion of Renewable Energy Sources of a dedicated Unit in the SEBs; and (iv) Financing of Grid Inter-connection Facility for Eligible Utilities for Renewable Energy Power Evacuation.

PROGRAMMES ENTRUSTED BY THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES

The Company continued to implement various schemes entrusted by the Ministry of Non-Conventional Energy Sources.



Solar Photovoltaic Water Pump installed under MNES Programme through IREDA in Village Gujji, District Srikakulam, Andhra Pradesh.

DEVELOPMENT OF BACKWARD AREAS

During the year loan assistance of Rs. 595.47 crores was sanctioned to as many as 72 projects located in backward areas which constitutes 87% of the total sanctions. Cumulative assistance in these areas at the end of March, 1999 works out to Rs. 2210.69 crores for 629 projects and accounts for 84% of total sanctioned loan amount.

PROMOTIONAL PROGRAMMES

As a part of market development efforts and information dissemination, the Company continued sponsoring / co-sponsoring Seminars, Workshops, Business Meets, Exhibitions. During the year the Company conducted a total of 65 programmes as detailed below:

Sector	No. of Programmes
Solar Energy	23
Bio-Energy	11
Small Hydro Power	07
Wind Energy	06
Women Development	05
Energy Efficiency	02
Renewable Energy	11
Total	65



Shri C.R. Kamalanathan, former Secretary, MNES & Chairman, IREDA addressing the Consultation Meet on 'Solar Thermal Industry' organised at New Delhi.

MONITORING AND EVALUATION

Project monitoring and evaluation have been done through the mechanism of appointing Nominee Directors/Concurrent auditors/ engineers, direct inspections, physical verifications and special review committees.



Visit to a Small Hydro Project site in the State of Karnataka by Hon'ble Members of 'Parliament Sub-Committee of Standing Committee on Energy'.

ECOLOGY AND ENVIRONMENT

The Company has been assisting technologies which are eco-friendly and have benign impact on environment. The projects promoted have resulted in tangible benefits in terms of saving of foreign exchange and conventional fuel and also generation of electricity and gainful employment opportunities especially in rural areas with concomitant benefits to the people.



SPV Street Light installed under 'IREDA Akshya Urja Gram Scheme' in Village Bassi Kaso, Hoshiarpur, Punjab.

WOMEN DEVELOPMENT

The Company has been encouraging women entrepreneurship in the field of renewable energy from the very beginning. Besides giving special concessions in its lending terms and conditions, the Company has been organising various promotional programmes for women in general and rural women in particular. Out of the total 65 programmes sponsored by the Company, 5 programmes were exclusively on women development. About 200 women from rural and urban areas participated in these programmes.

MEMORANDUM OF UNDERSTANDING (MoU)

Based on provisional figures, the Company's performance in achieving the MoU targets fixed for the year 1998-99 is likely to be rated as "VERY GOOD." The Company has signed a MoU with the Government for the year 1999-2000 also.



Shri C.R. Kamalanathan, former Secretary, MNES and Managing Director, IREDA exchanging the Memorandum of Understanding for the year 1999-2000.

JOINT SECTOR COMPANY

M. P. Wind Farms Ltd., is a joint sector venture promoted by your Company in collaboration with the Government of Madhya Pradesh and a private sector company with the objective of promoting Wind Energy. Its Authorised Share Capital is Rs. 100.00 lakhs and Paid-up Capital is Rs. 70.00 lakhs, of which IREDA subscribed Rs. 12.00 lakhs. The performance of the Company so far has been very satisfactory. It has been paying dividend since

1995-96. For the year 1998-99 it has declared dividend @ 20 per cent. The total additional capacity facilitated by it at the end of March, 1999 was 15 MW. The total turnover of the Company during the year was Rs. 284.52 lakhs and Profit for the year was Rs. 32.01 lakhs.



Managing Director, M.P. Wind Farms Ltd., IREDA's joint sector company, handing over the Dividend cheque for the year 1998-99 to former Secretary, MNES.

NETWORKING ARRANGEMENTS

As a part of marketing strategy, the Company has been networking with various technical and professional organisations through Business Development Associates (BDAs). As on 31st March, 1999, 38 BDAs including those from Private Sector and Non-Governmental Organisations (16 Technical Consultancy Organisations, 12 State Nodal Agencies, 2 Local Productivity Councils, 7 Private and 1 NGO) have been empanelled for helping the Company for generating greater business opportunities.



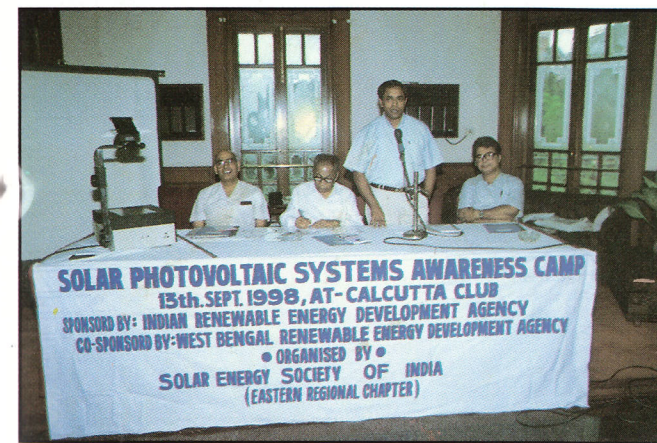
Managing Director, IREDA and India Country Director, Winrock International signing an agreement for Business Development Associate.



Managing Director, IREDA and Chairperson (Rural Energy), AIWC during a National Training Programme on 'Renewable Energy Technologies for IREP/AIWC & Partner NGOs sponsored by IREDA held at Bakoli, Delhi.

AWARENESS CREATION

The Company has made concerted efforts in creating awareness about the Renewable Energy Technologies (RETs) systems and devices. It has launched vigorous publicity campaigns through print and electronic media, both national and regional, to disseminate information about RETs. Video films in various Indian languages in respect of major technologies/systems have been prepared and distributed throughout the country. Brochures on various schemes and other publicity material were also printed in local languages and distributed for the benefit of the industry, entrepreneurs and the users. The quarterly publication "IREDA News" received appreciable acceptance. Best Practices Manuals were published to help prospective developers.



IREDA sponsored Awareness Camp on 'Solar Photovoltaic Systems' held at Calcutta, West Bengal.

HUMAN RESOURCE DEVELOPMENT

Human Resource, being critical input for overall development of an organisation, was given due importance and measures for its development continued during the year. As a part of HRD, officers/staff at various levels were nominated to attend professional Training Courses and Seminars/Workshops/Symposium on specialised subjects, both in India and abroad so as to improve their professional skills and to acquaint themselves with the latest technical development in their respective fields. Measures continued for upgradation of computer skills and strengthening of performance appraisal system.

Employee morale continued to remain high, facilitating smooth working of the Company and contributing towards achieving goals/targets of the Company. All efforts to achieve employee satisfaction were made through various measures like job rotation, revision / introduction of new schemes etc. Further, for better understanding and quick disposal of employee matters, various forms were reviewed and standardised.

INSTITUTIONAL DEVELOPMENT

To further strengthen the institutional infrastructure, the Company has engaged the services of a reputed consultancy firm to suggest long-term policies regarding organisational structure and manpower requirements etc. to achieve the targets proposed for the Ninth Five Year Plan and also the goals set in the Corporate Plan. The recommendations of the firm will be available shortly. In the meantime, various Departments have been strengthened to effectively deal with the expanding and diversified operations of the Company. A number of manuals such as Legal Manual, Manual on Recovery of Loans, Project Monitoring and Evaluation Manual etc. have been prepared. These Manuals contain standardised formats and catalogue various steps required to be taken in a sequential order. These will minimise delays and improve the efficiency of the staff. Further, keeping in view the safety measures and

operation & maintenance of electronics and other office equipments, consultancy firms have been engaged for conducting studies and to prepare Safety & Security and Operation & Maintenance Manuals. A reputed computer consultancy firm has also been engaged by the Company for computerisation of various systems of the different departments for better efficiency and output.

The Company engaged M/s CRISIL, Mumbai, as a Consultant for providing Credit Rating Information Services. Financial Advisor was appointed for assignment on Assets and Liability Management. (ALIMA). The Manual on "Guidelines for Preparation and Evaluation of Investments in Wind Farm", was prepared under DANIDA TAP component for wind sector. Operational Manual/Guidelines were drafted for setting up "Solar Helpline", for creation of proactive information system.

Y2K COMPLIANCE

The Company has ensured Y2K compliance and also notified and requested borrowers to comply with it.

RESERVATION FOR SC/ST/OBCs

In accordance with the Government's policy, the Company has been making sustained efforts to ensure that the posts reserved for SC/ST/OBCs are filled up

by the candidates belonging to these categories. It has been strictly following Government's instructions regarding recruitment and promotion of these categories. Liaison Officers for SC/ST and OBCs have been nominated separately to watch the interests of these categories.

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

Efforts were continued to ensure implementation of the provisions of the Official Language Act towards promotion and greater use of Hindi in official work. A new scheme encouraging employees for obtaining proficiency in Hindi and learning Hindi Typewriting and Stenography has been implemented. Use of Hindi in day to day work has been encouraged among the employees. The non-Hindi speaking employees were nominated to attend Hindi classes for learning Hindi, Typing and Stenography conducted by Department of Official Language, Ministry of Home Affairs. The Company celebrated Hindi Diwas and Hindi Pakhwara. Several competitions were organised on these occasions and prizes distributed to the winners. Memento has been awarded for best use of Hindi. A number of Hindi books were purchased and added to the Library for use and reference. Nodal Officers have been nominated in various departments to further strengthen and monitor the progress of Hindi usage.



Celebration of Hindi Diwas by IREDA.

AUDITORS

M/s K.K. Ghei & Co., Chartered Accountants, New Delhi were re-appointed as Statutory Auditors of the Company by the Company Law Board, Government of India for the financial year 1998-99.

AUDIT REVIEW

The 'NIL' Comments of the Comptroller and Auditor General of India on the Accounts together with Review on Accounts, Statutory Auditors' Report to the Members and Comments of the Management thereon are annexed (Annexure VI).

PARTICULARS OF EMPLOYEES

Information with regard to the particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 is "NIL".

FOREIGN EXCHANGE EARNINGS AND OUTGO

Earnings in Foreign Exchange is equivalent to Rs. 492.86 lakhs and the outflow is Rs. 646.66 lakhs during the year.

PERSONNEL RELATIONS

Personnel relations continued to be cordial and harmonious during the year. Grievances, if any, of the employees were redressed through dialogues/discussions by the Director (Grievance).

VIGILANCE

Your Company has been paying attention to preventive vigilance. The Vigilance Advisory Committee of the Company has been meeting periodically to advise the Company in this regard. The Government of India has appointed Shri T. Prabakaran, Director (Finance) as a part-time Chief Vigilance Officer of the Company.

BOARD OF DIRECTORS

During the year, the Board held twelve meetings to transact the business of the Company. The following changes have taken place in the Board of Directors:

1. Shri Swarn Singh Boparai, K. C. ceased to be Chairman of the Company on his transfer w.e.f. 17.8.98.
2. Shri C. R. Kamalanathan, who took over as Chairman of the Company w.e.f. 17.8.98, ceased to be Chairman of the Company on his transfer w.e.f. 5.5.1999.
3. Shri N.N. Mookerjee took over as Chairman of the Company w.e.f. 5.5.99.
4. Shri T. Prabakaran took over as whole time Director (Finance) on the Board w.e.f. 1.1.99.

ACKNOWLEDGEMENTS

The Directors place on record their deep appreciation of the valuable contribution made and guidance given by Shri S. S. Boparai, K. C. and Shri C. R. Kamalanathan, the outgoing Chairmen.

The Directors also place on record their appreciation of the continued co-operation and support provided by the Ministry of Non-Conventional Energy Sources, the Ministry of Finance, the Planning Commission and other Ministries/Departments of the Government of India.

The Directors are thankful to the World Bank, Swiss Development Cooperation, Global Environment Facility, Asian Development Bank, DANIDA, Royal Government of The Netherlands, KfW, Germany and the OECF, Japan for their co-operation and assistance. The Company looks forward to their continued support.

The Directors thank the Comptroller and Auditor General of India, the Statutory Auditors and the Bankers for their valued co-operation.

Special thanks are extended to Bond-holders/clients of the Company for the confidence reposed by them in the Company.

The Directors also appreciate the valuable services rendered by the employees of the Company at all levels.

for and on behalf of
the Board of Directors

N.N. Mookerjee
Chairman

Place: New Delhi
Date: 17th September, 1999



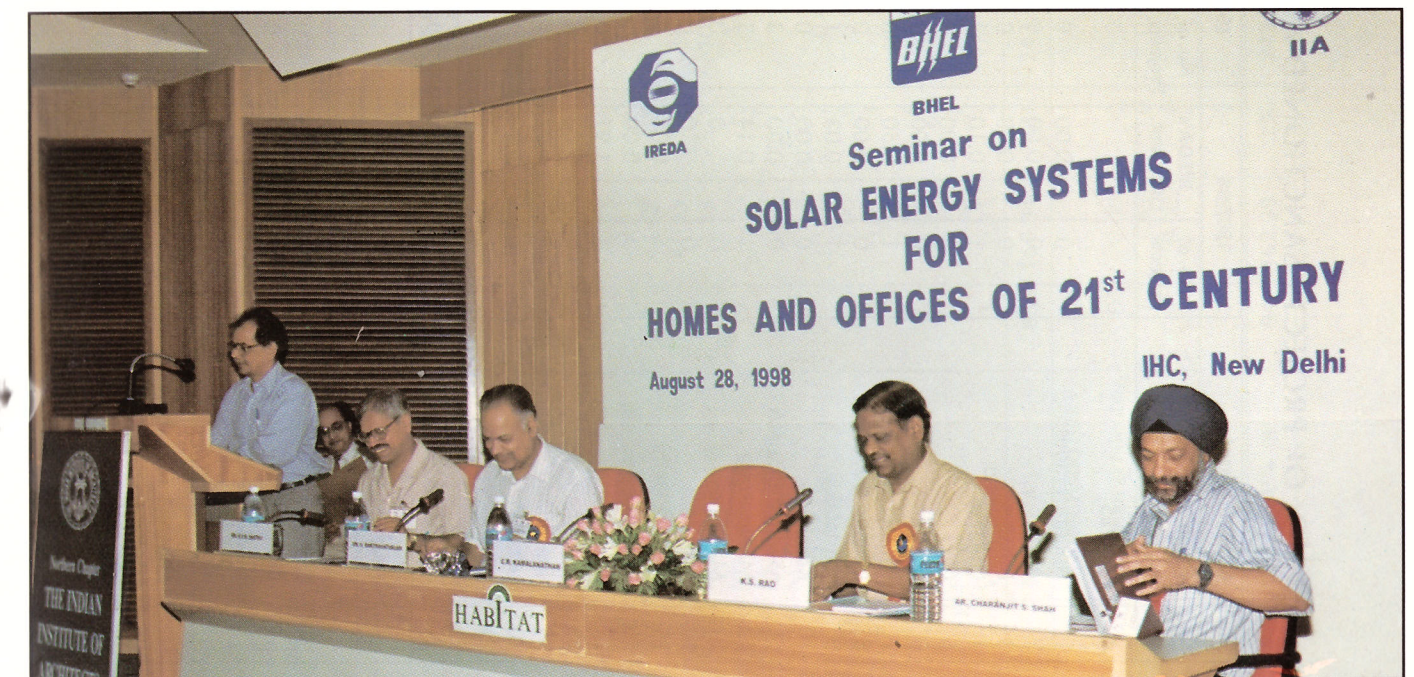
Handing over of Solar Lantern to sarpanch of Village Salgaon, District Sirohi, Rajasthan under 'IREDA Akshya Urja Gram Scheme'.



Distribution of Solar Lanterns to devotees of Brahmakumari Trust at Mount Abu, Rajasthan with IREDA's assistance under World Bank Programme.



Managing Director, IREDA addressing the participants at 'IREDA Customers' Meet' held at New Delhi.



IREDA co-sponsored seminar on 'Solar Energy Systems for Homes and Offices of 21st Century' held at New Delhi.

ANNEXURE I
NO. OF PROJECTS SANCTIONED AND IREDA'S LOAN AMOUNT - STATEWISE AND YEARWISE

Sl. No.	Name of State/ Union Territory	1987-88		1988-89		1989-90		1990-91		1991-92		1992-93	
		No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.
A	STATES												
1	Andhra Pradesh	0	0.00	0	0.00	4	0.65	3	0.55	4	0.85	6	0.68
2	Assam	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
3	Bihar	0	0.00	0	0.00	1	0.25	2	0.90	0	0.00	0	0.00
4	Gujarat	1	0.10	2	0.26	5	0.27	4	0.53	1	0.02	4	1.81
5	Goa	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
6	Haryana	0	0.00	0	0.00	1	0.25	1	0.50	5	1.47	1	0.04
7	Himachal Pradesh	1	0.50	0	0.00	0	0.00	1	1.43	0	0.00	0	0.00
8	Jammu & Kashmir	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
9	Karnataka	1	0.03	1	0.12	2	0.28	4	0.85	3	1.34	6	1.74
10	Kerala	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	2	5.02
11	Madhya Pradesh	0	0.00	3	0.02	1	0.12	7	15.01	6	2.90	3	0.76
12	Maharashtra	1	0.14	3	0.53	1	0.03	11	1.10	8	1.94	14	1.22
13	Manipur	0	0	0	0	0	0	0	0	0	0	0	0
14	Mizoram	0	0	0	0	0	0	0	0	0	0	0	0
15	NCT of Delhi	1	0.01	0	0.00	0	0.00	1	0.01	0	0.00	0	0.00
16	Orissa	0	0.00	1	0.25	0	0.00	0	0.00	4	5.72	0	0.00
17	Punjab	2	1.91	0	0.00	2	0.32	3	0.65	0	0.00	1	0.38
18	Rajasthan	0	0.00	1	0.49	0	0.00	5	0.24	0	0.00	1	0.68
19	Tamilnadu	5	1.02	5	1.54	7	2.13	3	0.56	15	6.14	11	16.90
20	Uttar Pradesh	6	1.90	4	0.96	6	1.50	8	3.62	5	3.48	1	0.02
21	West Bengal	1	0.05	0	0.00	1	0.03	1	0.09	1	0.98	6	1.49
	TOTAL 'A'	19	5.66	20	4.17	31	5.83	54	26.04	52	24.84	56	30.74
B	UNION TERRITORY												
1	Andaman & Nicobar	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
2	Daman	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
3	Pondicherry	0	0.00	0	0.00	0	0.00	1	0.25	0	0.00	0	0.00
	TOTAL 'B'	0	0.00	0	0.00	0	0.00	1	0.25	0	0.00	0	0.00
	GRAND TOTAL 'A' + 'B'	19	5.66	20	4.17	31	5.83	55	26.29	52	24.84	56	30.74

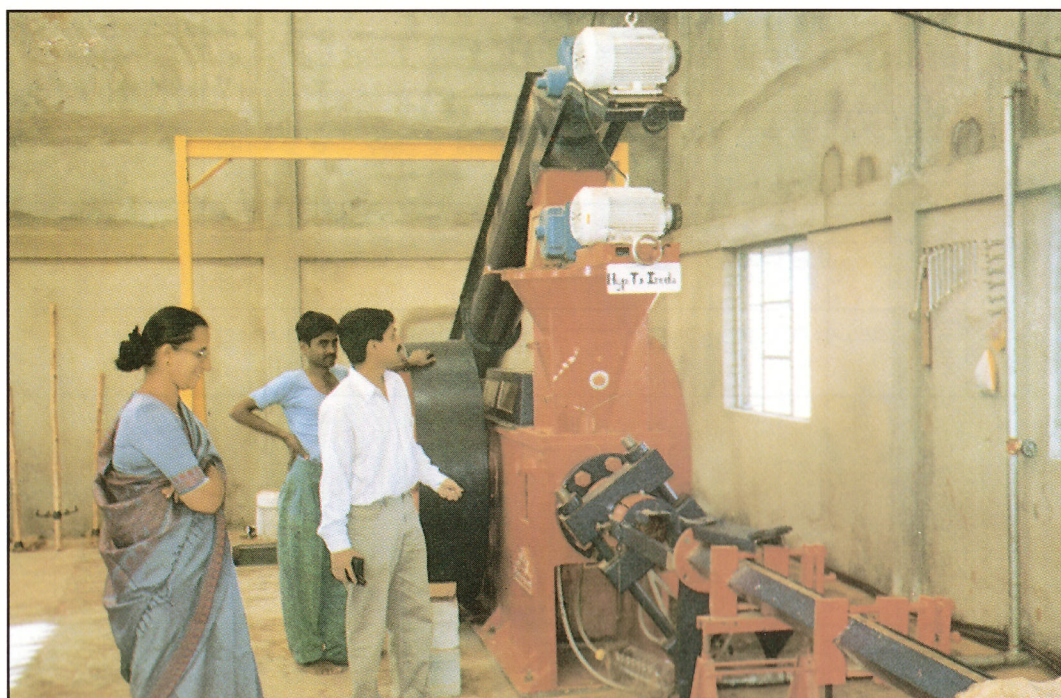
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ANNEXURE I Contd...

Sl. No.	Name of State/ Union Territory	1993-94		1994-95		1995-96		1996-97		1997-98		1998-99		Cumulative	
		No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.	No. of Projects	IREDA's Loan Amt.
A	STATES														
1	Andhra Pradesh	9	8.79	10	28.09	29	58.02	9	28.40	21	76.68	47	219.77	142	422.48
2	Assam	0	0.00	0	0.00	0	0.00	0	0.00	1	0.37	1	0.10	2	0.47
3	Bihar	1	1.50	0	0.00	1	0.10	0	0.00	0	0.00	2	0.27	7	3.02
4	Gujarat	5	14.63	12	15.81	14	43.60	7	1.30	7	32.38	9	24.63	71	135.34
5	Goa	1	0.03	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.03
6	Haryana	2	0.18	3	3.13	2	5.40	1	0.08	1	5.94	0	0.00	17	16.99
7	Himachal Pradesh	0	0.00	0	0.00	1	1.25	0	0.00	2	7.00	2	1.83	7	12.01
8	Jammu & Kashmir	1	0.62	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	1	0.62
9	Karnataka	23	44.62	9	8.12	28	60.76	13	69.66	22	177.18	14	117.83	126	482.53
10	Kerala	4	11.85	3	34.77	6	60.18	9	10.00	1	0.32	6	0.50	22	122.64
11	Madhya Pradesh	4	4.15	8	10.33	11	10.60	9	20.97	8	23.44	2	11.81	62	100.11
12	Maharashtra	16	1.58	13	3.95	24	36.90	11	5.31	17	7.58	33	145.50	152	205.78
13	Manipur	0	0	0	0	0	0	0	0	0	0	1	0.17	1	0.17
14	Mizoram	0	0	0	0	0	0	0	0	0	0	1	0.16	1	0.16
15	NCT of Delhi	1	0.38	2	0.85	11	8.10	7	3.31	15	5.03	4	4.79	42	22.48
16	Orissa	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	2	27.69	5	33.66
17	Punjab	0	0.00	1	0.03	0	0.00	1	0.69	1	16.60	3	1.14	14	21.72
18	Rajasthan	3	0.82	2	1.94	3	0.77	1	0.48	1	1.79	2	1.18	19	8.39
19	Tamilnadu	20	68.24	66	131.31	126	314.30	40	105.37	17	50.35	11	46.82	328	744.68
20	Uttar Pradesh	2	3.34	4	3.94	5	1.98	9	82.09	8	69.96	10	58.63	68	231.42
21	West Bengal	1	0.21	2	0.27	4	2.95	0	0.00	8	24.34	8	21.37	33	51.78
	TOTAL 'A'	93	160.94	135	242.54	265	604.91	108	327.66	130	498.96	158	684.19	1121	2616.48
B	UNION TERRITORY														
1	Andaman & Nicobar	0	0.00	1	0.11	0	0.00	0	0.00	0	0.00	0.00	0.00	1	0.11
2	Daman	1	1.45	0	0.00	0	0.00	0	0.00	0	0.00	0.00	0.00	1	1.45
3	Pondicherry	0	0.00	0	0.00	0	0.00	1	1.13	0	0.00	0.00	0.00	2	1.38
	TOTAL 'B'	1	1.45	1	0.11	0	0.00	1	1.13	0	0.00	0.00	0.00	4	2.94
	TOTAL 'A' + 'B'	94	162.39	136	242.65	265	604.91	109	328.79	130	498.96	158	684.19	1125	2619.42



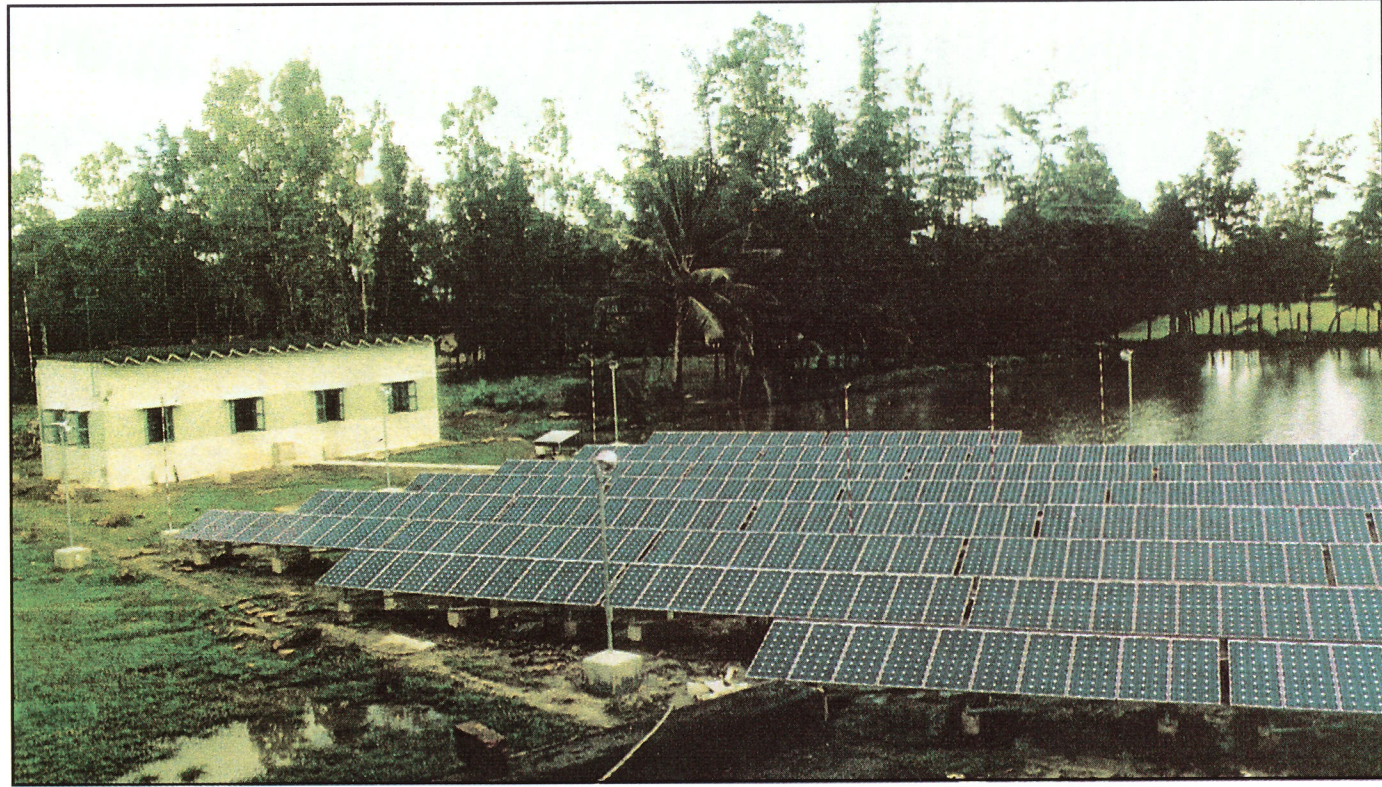
IREDA financed 600 sq. mtr. Solar Air Heating System for drying of spices installed in Erode, Tamilnadu.



IREDA financed 1.50 MT/HR Biomass Briquetting project set up in village Yedehally, Nelamangala Taluk, Bangalore District, Karnataka.

ANNEXURE II SECTORWISE AND YEARWISE SANCTIONS DURING 1987-88 TO 1998-99

Sl. No.	Category	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Cumulative
1	Wind Energy	0.00	0.00	1.62	0.25	5.52	16.31	77.39	140.26	327.14	107.39	111.39	274.82	1062.09
2	Small Hydro	0.00	0.00	0.00	13.76	5.72	5.40	49.94	53.12	118.78	122.93	176.05	116.01	661.71
3	Solar Thermal	0.83	0.32	0.37	2.54	1.15	1.74	3.87	5.69	7.96	3.94	8.28	8.57	45.26
4	Solar Photovoltaic Systems	0.00	0.49	0.28	1.00	0.25	0.00	15.42	13.90	82.84	28.95	66.25	81.97	291.35
5	Biomethanation from Industrial Effluents	2.00	2.14	2.25	5.83	9.39	4.55	12.12	10.06	4.99	4.40	4.24	2.10	64.07
6	Biomass Co-generation (including sugar industry)	0.00	0.00	0.00	0.00	1.00	0.00	2.00	8.50	39.85	50.00	119.90	124.50	345.75
7	Biomass Power Generation	1.60	0.00	0.00	0.50	0.00	0.00	0.00	9.00	22.00	9.85	5.45	45.50	93.90
8	Biomass Briquetting	0.40	1.17	0.95	2.29	1.45	2.34	0.95	2.12	0.84	0.28	2.08	0.92	15.79
9	Biomass Gasification (including Power Generation)	0.15	0.00	0.00	0.09	0.00	0.33	0.70	0.00	0.51	1.05	5.32	2.27	10.42
10	Energy Efficiency & Conservation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.15	27.15
11	High Efficiency Wood Burning Stoves	0.03	0.00	0.36	0.03	0.00	0.07	0.00	0.00	0.00	0.00	0.00	0.00	0.49
12	Miscellaneous	0.65	0.05	0.00	0.00	0.36	0.00	0.00	0.00	0.00	0.00	0.00	0.38	1.44
	TOTAL	5.66	4.17	5.83	26.29	24.84	30.74	162.39	242.65	604.91	328.79	498.96	684.19	2619.42



IREDA financed 25 kWp power plant set up at Mahendragung Sagar Island, West Bengal, under World Bank Programme.



IREDA financed 3.91 MW Wind Farm project set up in Satara District, Maharashtra.

ANNEXURE III

STATEWISE DISBURSEMENTS DURING 1987-88 TO 1998-99

(Rs. in Crores)

Sl. No.	Name of State/Union Territory	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	Cumulative
A	STATE													
1	Andhra Pradesh	0.00	0.00	0.25	0.79	0.57	0.44	3.12	9.22	25.16	30.52	38.50	68.64	177.21
2	Assam	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.21	0.21
3	Bihar	0.00	0.00	0.00	0.25	0.12	0.00	0.00	0.00	0.00	0.00	0.08	0.00	0.45
4	Goa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Gujarat	0.02	0.09	0.05	0.32	0.55	0.02	2.34	13.04	27.64	3.39	18.19	1.77	67.42
6	Haryana	0.00	0.00	0.00	0.21	0.03	0.01	0.17	2.79	0.20	0.06	0.07	0.54	4.08
7	Himachal Pradesh	0.30	0.20	0.00	1.43	0.00	0.00	0.00	0.00	0.00	0.00	0.66	2.08	4.67
8	Jammu & Kashmir	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Karnataka	0.00	0.12	0.04	0.04	0.62	0.91	1.75	9.59	13.45	34.41	51.01	71.86	183.80
10	Kerala	0.00	0.00	0.00	0.00	0.00	2.66	2.16	0.00	6.20	2.16	20.69	4.25	38.12
11	Madhya Pradesh	0.00	0.00	0.00	2.63	2.32	5.86	1.48	3.39	7.58	3.00	10.30	12.82	49.38
12	Maharashtra	0.00	0.45	0.08	0.78	0.68	0.85	0.88	2.64	1.39	9.24	2.39	23.66	43.04
13	NCT of Delhi	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.32	0.43	0.75	0.30	1.85
14	Orissa	0.00	0.00	0.00	0.00	0.00	1.18	2.63	0.00	0.00	0.00	0.00	12.50	16.31
15	Punjab	0.27	1.64	0.06	0.42	0.33	0.06	0.00	0.01	0.01	0.20	0.65	0.15	3.80
16	Rajasthan	0.00	0.00	0.49	0.00	0.13	0.01	0.05	1.31	0.41	0.15	0.70	0.97	4.22
17	Tamilnadu	0.46	0.64	2.18	0.77	0.96	5.50	37.24	87.84	154.56	146.84	24.78	20.64	482.41
18	Uttar Pradesh	0.50	1.47	1.77	0.59	2.91	0.14	2.58	0.19	1.35	6.42	17.32	4.63	39.87
19	West Bengal	0.00	0.05	0.00	0.00	0.97	0.53	0.17	0.27	0.05	0.65	0.00	0.72	3.41
	TOTAL 'A'	1.55	4.66	4.92	8.23	10.19	18.17	54.62	130.29	238.32	237.47	186.09	225.74	1120.25
B	UNION TERRITORY													
1	Andaman & Nicobar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Daman	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.15	0.00	0.04	0.00	1.49
3	Pondicherry	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.13	0.00	1.13
	TOTAL 'B'	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.15	0.00	1.17	0.00	2.62
	GRAND TOTAL 'A'+ 'B'	1.55	4.66	4.92	8.23	10.19	18.17	55.92	130.29	238.47	237.47	187.26	225.74	1122.87

ANNEXURE IV
SECTORWISE AND YEARWISE DISBURSEMENTS DURING 1987-88 TO 1998-99

SECTORWISE AND YEARWISE DISBURSEMENTS DURING 1987-88 TO 1998-99														
Sl. No.	Sector	(Rs. in Crores)												Cumulative
		1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	
1	Wind Energy	0.00	0.00	1.29	0.21	0.59	5.15	38.02	104.74	172.31	126.98	51.50	74.10	574.89
2	Small Hydro	0.00	0.00	0.00	2.62	2.19	8.25	5.24	6.06	10.06	31.57	65.83	70.87	202.69
3	Solar Thermal	0.59	0.29	0.23	2.36	0.37	1.15	1.23	1.26	2.00	2.96	3.43	5.18	21.05
4	Solar Photovoltaic Systems	0.00	0.00	0.65	0.41	0.24	0.09	5.93	7.32	14.98	30.90	19.11	15.68	95.31
5	Biomethanation from Industrial Effluents	0.70	3.81	2.12	1.41	5.65	3.01	3.90	8.94	4.09	3.23	2.68	4.73	44.27
6	Biomass Co-generation (including sugar industry)	0.00	0.00	0.00	0.00	0.00	0.00	0.50	1.50	23.48	24.75	42.65	38.17	131.05
7	Biomass Power Generation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.89	16.61	1.46	0.30	29.26
8	Biomass Briquetting	0.25	0.10	0.63	1.07	1.02	0.52	0.99	0.40	0.66	0.47	0.04	1.34	7.49
9	Biomass Gasification (including power generation)	0.01	0.09	0.00	0.00	0.09	0.00	0.11	0.00	0.00	0.00	0.56	2.84	3.70
10	Energy Efficiency & Conservation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.50	12.50
11	Others	0.00	0.37	0.00	0.15	0.04	0.00	0.00	0.07	0.00	0.00	0.00	0.03	0.66
	TOTAL	1.55	4.66	4.92	8.23	10.19	18.17	55.92	130.29	238.47	237.47	187.26	225.74	1122.87

ANNEXURE V

RESOURCES MOBILISED DURING THE FINANCIAL YEAR 1998-99

Sl. No.	Source	Rs. in Crores
1	Equity	40.00
2	Tax Free Bonds	90.00
3	International Development Association (IDA)	70.70
4	Global Environment Facility (GEF)	3.22
5	Swiss Development Cooperation (SDC)	0.56
	TOTAL	204.48



IREDA financed 3000 LPD Solar Hot Water System installed in a Hospital in Ernakulam District, Kerala.

ANNEXURE VI

Comments of the Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956 on the Accounts of Indian Renewable Energy Development Agency Limited for the year ended 31st March, 1999.

[As conveyed vide letter No.MAB-II/CAD-1/15-13/98-99/641 dated 15th September, 1999 by the Office of the Principal Director of Commercial Audit & Ex-Officio Member, Audit Board-II, New Delhi]

"I have to state that the Comptroller and Auditor General of India has no Comments upon or Supplement to the Auditors' Report under Section 619(4) of the Companies Act, 1956 on the accounts of Indian Renewable Energy Development Agency Limited for the year ended 31st March, 1999".

(R. Rajalakshmi)
Principal Director of Commercial Audit
& Ex-Officio Member, Audit Board-II

Place: New Delhi
Date: 15th September, 1999

REVIEW OF ACCOUNTS OF INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED FOR THE YEAR ENDED 31ST MARCH, 1999 BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Note: Review of Accounts has been prepared without taking into account qualifications contained in the Statutory Auditors' Report.

1 Financial Position

The table below summarises the financial position of the Company under broad headings for the last three years:

	1996-97	1997-98	(Rs. in Crores) 1998-99
LIABILITIES			
a) Paid up Capital			
i) Government	90.35	114.35	154.35
b) Reserves & Surplus			
i) Free Reserves & Surplus	29.71	31.08	41.66
ii) Capital Grants	1.74	1.45	2.35
iii) Capital Reserves	70.60	72.21	75.99
iv) NBFC Reserves	2.80	3.04	6.79
BORROWINGS			
c) i) From Government of India	123.49	132.77	212.97
ii) From Financial Institutions	105.00	39.60	0.00
iii) Others (Tax free bonds & Loan from ADB)	195.99	374.82	470.38
d) i) Current Liabilities & Provision	115.50	125.60	140.00
ii) Provision for Leave Encashment	0.01	0.02	0.02
TOTAL	735.19	894.94	1104.51
ASSETS			
e) Gross Block	6.45	7.19	9.23
f) Less : Depreciation	2.13	3.04	4.06
g) Net Block	4.32	4.15	5.17
h) Investments	0.12	10.12	10.12
i) Current Assets, Loans & Advances	720.32	870.46	1080.75
j) Misc. expenditure not written off	10.43	10.21	8.47
TOTAL	735.19	894.94	1104.51
k) Working Capital [i-d(i)-(j)]	604.82	744.86	940.75
l) Avg. Capital Employed	530.54	680.62	859.36
m) Net Worth	109.63	135.22	187.54
n) Net Worth [a+b(i)-j] per rupee of paid-up capital (in Rs.)	1.21	1.18	1.22

2 Ratio Analysis

Some important financial ratios on the financial health and working of the Company at the end of last 3 years are as under :

	1996-97	1997-98	1998-99 (in Percentage)
A. Liquidity Ratio	623.64	693.06	771.96
Current Ratio (Current Assets to Current Liabilities & provision and interest accrued & due but excluding provision for gratuity/ leave encashment ((i)/d(i))			

	1996-97	1997-98	1998-99
B. Debt Equity Ratios	387.21	404.66	(in Percentage) 364.38
Long term Debt to Net worth [c(l) to (iii) but excluding short term loans]			
C. Profitability Ratios			
a) Profit before Tax to			
i) Capital employed	3.87	0.52	3.29
ii) Net Worth	18.73	2.60	15.28
iii) Operational Income	29.71	4.94	30.47
b) Profit after Tax to Equity	0.00	0.00	0.00
c) Earning per share (in Rupees)	-0.11	0.02	-0.03

3 SOURCES AND UTILISATION OF FUNDS

Fund amounting to Rs. 198 Crores were generated and utilised during 1998-99 as given below :

SOURCES OF FUNDS

Funds from operations :

	(Rs. in Crores)
Profit After Tax (P&L) after dividend & dividend tax	14.34
Less: Miscellaneous income (capital grant)	0.80
	13.54
Add : Depreciation	1.06
Bond issue Expenses written off	1.74
	16.34
Others	
World Bank Project Grants	3.78
Capital Grants	1.71
Issue of Shares	40.00
Increase in Borrowings	136.16
Sale of Fixed Assets	0.01
Total	198.00

UTILISATION OF FUNDS

Increase in Fixed Assets	2.11
Increase in working capital	195.89
Total	198.00

4 WORKING RESULTS

	(Rs. in Crores)
1. Income	73.09
2. Profit (+) Loss (-) Before Tax And Prior Period Adjustments	20.53
3. Prior Period Adjustments	0.00
4. Profit (+) Loss (-) Before Tax	20.53
5. Tax Provision	6.56
6. Profit After Tax	13.97
7. Proposed Dividend Including Dividend Tax	3.08

5 LOANS DISBURSED

The following table indicates the loans disbursed, interest on outstanding loans, repayment received and amount outstanding at the end of the last three years ending 31st March, 1999:

Year	Balance outstanding at the beginning of the year			Loans Disbursed during the year	Interest for the year on outstanding loans	Repayments received during the year due	Amount outstanding at the end of the year			
	Repayment outstanding but not due	Repayment due	Total				Interest accrued and due	Repayment outstanding but not due	Repayment due	Total
1996-97	386.73	7.56	394.29	237.47	73.34	57.65	560.11	14.00	574.11	4.23
1997-98	560.11	14.00	574.11	187.26	69.13	110.16	623.85	27.36	651.21	4.58
1998-99	623.85	27.36	651.21	225.72	92.54	108.23	720.67	48.72	769.39	14.59

Place: New Delhi
Date: 15th September, 1999

(R. Rajalakshmi)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-II

Addendum - I

Annexure to the Directors' Report

Comments of IREDA's Management on Statutory Audit Report [Required under Section 217(3) of the Companies Act, 1956]

Sl No.	Auditors' Report	Management Reply
2(i)	The accounting of certain items of income and expenditure such as front-end-fee, service charges, prepayment premium, ex-gratia in lieu of bonus, etc. on cash basis are not in conformity with the Accounting Standard (AS)-9 issued by the Institute of Chartered Accountants of India. The financial effects, if any, arising due to such deviation has not been determined and disclosed in terms of Section 211(3B) of the Companies Act, 1956.	Front-end-Fee: The front-end-fee is collected at the prescribed rate as per the Loan Guidelines of IREDA. It may be noted that the front-end-fee is to be paid before signing of the loan agreement. Since the signing of the loan agreement depends on the readiness of the borrower, the front-end-fee is accounted for on receipt basis as and when the loan agreement is signed. It cannot be accounted for on accrual basis as there is no period involved over which it accrues. Service Charges: For the programmes managed by IREDA on behalf of MNES, IREDA is eligible for lumpsum one-time service charges as well as annual service charges @ 2.5% of the loan outstanding. The lumpsum service charge is due as and when MoU is signed with MNES and the service charges are received alongwith the first instalment of the grant/funds which is accounted on receipt basis as per past practice consistently. The duration of the programme is subject to extension of time granted by MNES depending upon the implementation of the Programme, as such, it cannot be accounted for on accrual basis. Ex-gratia in lieu of Bonus: The amount is paid to eligible employees as per the directions of Department of Public Enterprises, Government of India. The eligibility of ex-gratia arises as and when orders are issued by Government of India to pay the ex-gratia on yearly basis. It has been accounted on cash basis consistently as per the past practice. As the directions are not received before the finalisation of accounts, it is not possible to account it on accrual basis. Pre-payment premium It may be noted that pre-payment premium is received/receivable when party prepays the loan. Some times, after the prepayment if IREDA demands for the premium, borrower may take back the loan,

Sl No.	Auditors' Report	Management Reply
		which depends upon the borrower decision. Sometimes, prepayment may be made in one Financial Year but party may decide to take back the loan in next Financial Year. In case IREDA insists on payment of prepayment premium, taking back may also result in changes in Income Tax calculations. However, the requirement of Section 211 (3B) has been noted for future guidance. The amount required to be disclosed on account of prepayment premium is Rs.48.56 lakhs.
2(ii)	Note No. 7 regarding non-execution of conveyance deeds in respect of residential and office premises and charging of depreciation on composite cost.	The Ministry of Urban Development is yet to enter into an agreement with the India Habitat Centre (IHC) for office building and with M/s Hindustan Prefab Ltd. (HPL) for residential flat. IHC & HPL can enter into agreement with IREDA only after signing lease agreement with the Ministry of Urban Development. This is the position in respect of other occupants also. The cost includes proportionate value for land which has not been separately determined and accounted for. As such, depreciation has been charged on composite cost at the rates prescribed as per Schedule XIV of the Companies Act, 1956.
2(iii)	Note No. 10 regarding recovery of certain items of office equipment.	IREDA has been regularly pursuing for collection of the items. The value of the assets to be recovered is Rs.0.31 lakh.
2(iv)	Note No. 12 regarding basis of valuation of securities for making provision for non-performing assets.	The realisable value of securities has been worked out based on the latest available audited balance sheet of the borrowers and the value of the assets has been arrived at after providing necessary depreciation. This realisable value of the assets has been taken for the purpose of providing for Non-Performing Assets (NPA) which is in order.
2(v)	Note No. 14 regarding non-execution of security documents.	Action is being taken to complete the documentation formalities.
2(vi)	Note No. 15 regarding non-issue of Bonds Certificates within the stipulated period.	IREDA's application for stamp duty exemption in respect of Tax Free Bonds (Series IV) is pending with Ministry of Finance. In respect of Series V & VI, provision is already made. As regards Income Tax and Wealth Tax exemptions, IREDA's application for tax free bonds Series VI is pending with Ministry of Finance. However, application has since been tendered with the Company Law Board seeking extension of time for issue of Bond Certificates.

AUDITORS' REPORT

The Members,
Indian Renewable Energy
Development Agency Limited

We have audited the attached Balance Sheet of Indian Renewable Energy Development Agency Limited, as at 31st March, 1999 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto. We report :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
 - i. The accounting of certain items of income and expenditure such as front-end-fee, service charges, prepayment premium, ex-gratia in lieu of bonus, etc. on cash basis are not in conformity with the Accounting Standard (AS)-9 issued by the Institute of Chartered Accountants of India. The financial effect, if any, arising due to such deviation has not been determined and disclosed in terms of Section 211 (3B) of the Companies Act, 1956.
 - ii. Note No.7 (i) regarding non-execution of conveyance deeds in respect of residential & office premises and charging of depreciation on composite cost.
 - iii. Note No.10 regarding recovery of certain items of office equipment.
 - iv. Note No.12 regarding basis of valuation of securities for making provision for non-performing assets.

- v. Note No.14 regarding non-execution of security documents.
- vi. Note No.15 regarding non-issue of Bonds Certificates within the stipulated period.

Subject to above :

- 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 accounts as required by law have been kept by the Company so far as appears from our examination of the books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.

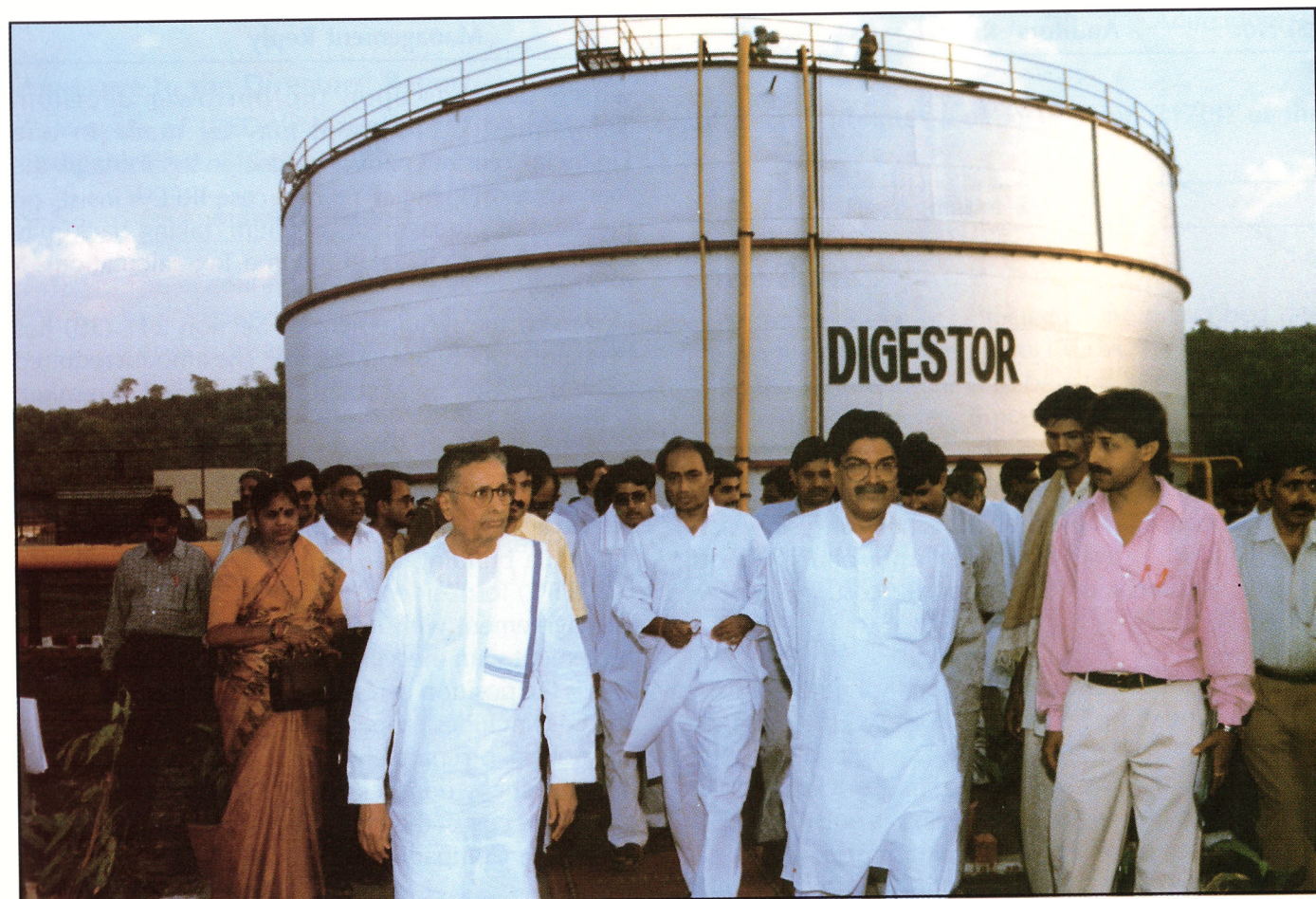
Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Accounting Policies and Notes given in Schedule "Q" give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :

1. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999; and
2. in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

for K. K. GHEI & COMPANY
Chartered Accountants

Place : New Delhi
Dated : 11th August, 1999

(D.S. SOBTI)
PARTNER



2.7 MW Biogas based Power Plant in Raisen District, Madhya Pradesh, financed by IREDA.



IREDA funded SPV Water Pumping System installed in an orphanage for mentally retarded in the State of Kerala.

Annexure referred to in Paragraph 1 of the Report of even date of the Auditor's Report to the Members of Indian Renewable Energy Development Agency Limited on the Accounts for the year ended 31st March, 1999

1. The records maintained showing full particulars with regard to quantitative details and situation of fixed assets require reconciliation with the financial books. According to information given to us physical verification of assets was conducted by the management at the year end and no discrepancies were noticed on such verification except as mentioned in Note No.10 of Schedule "Q".
2. None of the fixed assets of the Company have been revalued during the year.
3. The Company has not taken any loans secured or unsecured from Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from the Companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956.
4. The Company has not granted any loans secured or unsecured to Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or to the Companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956.
5. The parties to whom loans and advances in the nature of loans have been granted by the Company are generally repaying the principal amounts as scheduled/rescheduled and are generally regular in the payment of interest. In cases where repayment of principal and or interest are not received as stipulated reasonable steps have been taken for their recovery.
6. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of fixed assets.
7. The Company has not accepted any deposit from public within the meaning of Section 58 A of the Companies Act, 1956 read with Companies Acceptance of Deposit Rules, 1975.
8. The Company has engaged a firm of Chartered Accountants for internal audit. The internal audit system requires further strengthening so as to make it commensurate with the size and nature of its business in view of the expanding activities of the Company.
9. As per records of the Company, the Provident Fund dues are being regularly deposited with the appropriate authorities.
10. According to the information and explanation given to us no undisputed amounts payable in respect of Income Tax/Interest Tax/ Wealth Tax were outstanding as at 31st March, 1999 for a period of more than six months from the date they became due.
11. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices we have not come across any personal expenses which have been charged to revenue account.
12. In respect of financing activities subject to Note No.14 of Schedule "Q" relating to non-execution of final security documents, the Company, in our opinion, has obtained proper documents and maintained adequate records in respect of loans and advances granted on the basis of securities and bank guarantees obtained.
13. In respect of investment made by the Company in Government securities and shares of unit financed, proper records have been maintained and these are held in the name of the Company.
14. Para 4A (iii), (iv), (v), (vi), (xi), (xii), (xiv), (xvi), (xx) and 4D (iii) and (iv) of the said order are not applicable and hence not commented upon.

for K. K. GHEI & COMPANY
Chartered Accountants

Place : New Delhi
Dated : 11th August, 1999

(D.S. SOBTI)
PARTNER

AUDITORS' REPORT PURSUANT TO NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 1998

To,
The Board of Directors,
Indian Renewable Energy Development Agency Limited,
New Delhi

We have audited the annexed Balance Sheet of INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED as at 31st March, 1999 and are to report that:—

- (A) Pursuant to the Company's application for registration as per provisions of Section 45-1A of the Reserve Bank of India Act, 1934, the Reserve Bank of India has issued certificate of registration on 10th February'98.
- (B) The Board of Directors has passed a resolution, in its meeting held on 26th August, 1998 that the Company will not accept any public deposit in future without the prior approval of Reserve Bank of India.
- (C) The Company has not accepted any public deposit during the year ended 31st March, 1999.
- (D) Subject to Note No. 12 regarding basis of valuation of securities for making provisions for doubtful debts, the Company has complied with the accounting standards, prudential norms relating to income recognition; asset classification and provisioning for bad and doubtful debts as applicable to it.

For K.K. GHEI & CO.,
Chartered Accountants

(D.S. SOBTI)
PARTNER

Place: New Delhi
Date: 11th August, 1999

BALANCE SHEET

AS AT 31st MARCH

	SCHEDULE	1999 Rs.	1998 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	1,543,500,000	1,143,500,000
Reserves and Surplus	B	1,244,406,140	1,063,284,090
Capital Grants	C	23,514,913	14,492,103
Loan Funds			
Secured Loans	D	3,859,920,000	3,280,920,000
Unsecured Loans	E	2,973,584,355	2,190,986,365
		9,644,925,048	7,693,182,558
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	F	92,344,079	71,927,628
Less : Depreciation		40,647,781	30,419,209
Net Block		51,696,298	41,508,419
Capital Work in progress			
Investments	G	101,200,000	101,200,000
Current Assets, Loans & Advances			
Current Assets	H	2,735,025,774	1,951,894,272
Loans & Advances	I	8,072,522,423	6,752,686,819
		10,807,548,197	8,704,581,091
Less : Current Liabilities & Provisions			
Current Liabilities	J	1,080,030,054	1,083,434,705
Provision for Taxation	K	320,176,209	172,772,087
		1,400,206,263	1,256,206,792
Net Current Assets		9,407,341,934	7,448,374,299
Miscellaneous Expenditure			
(to the extent not written off or adjusted)			
Energy Bond Issue expenses		84,687,176	102,099,840
		9,644,925,408	7,693,182,558

Accounting Policies and Notes on Accounts Q

As per our Report of even date
For K. K. GHEI & COMPANY
Chartered Accountants

D. S. SOBTI
PARTNER

N. N. MOOKERJEE
Chairman

DR. V. BAKTHAVATSALAM
Managing Director

Place: New Delhi
Date: 11th August, 1999

T. PRABAKARAN
Director (Finance)

R. K. SACHDEVA
Company Secretary

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDING 31st MARCH, 1999

	SCHEDULE	As at 31.3.99 Rs.	As at 31.3.98 Rs.
INCOME			
Income from operation	L	939,974,781	711,051,520
Other Income	M	143,228,492	70,884,580
		1,083,203,273	781,936,100
EXPENDITURE			
Personnel	N	29,192,298	19,710,841
Administrative and Others	O	22,574,127	38,310,024
Depreciation -Fixed Assets		10,600,359	9,164,241
Finance Charges	P	645,384,518	564,365,174
Provision for bad and doubtful debts		89,040,271	117,061,212
Provision for Depreciation in Investments		—	1,000,000
		796,791,573	749,611,492
PROFIT FOR THE YEAR		286,411,700	32,324,608
Prior period Adjustments (net)		(4,157,042)	2,801,772
PROFIT BEFORE TAX		282,254,658	35,126,380
Provision for Taxation		94,500,000	23,000,000
PROFIT AFTER TAX		187,754,658	12,126,380
Add : Excess Provision of Income Tax made in earlier years written back		—	4,014,871
PROFIT AVAILABLE FOR APPROPRIATION		187,754,658	16,141,251
APPROPRIATIONS			
Special Reserve u/s 36(1)(viii) of IT Act		105,247,000	13,715,000
NBFC Reserve as per RBI Norms		37,551,000	2,425,276
Proposed Dividend		40,000,000	—
Dividend Tax & Surcharge		4,400,000	—
General Reserve		500,000	—
Surplus carried to Balance sheet		56,658	975
		187,754,658	16,141,251

Accounting Policies and Notes on Accounts Q

As per our Report of even date
For K. K. GHEI & COMPANY
Chartered Accountants

D. S. SOBTI
PARTNER

N. N. MOOKERJEE
Chairman

DR. V. BAKTHAVATSALAM
Managing Director

Place: New Delhi
Date: 11th August, 1999

T. PRABAKARAN
Director (Finance)

R. K. SACHDEVA
Company Secretary

SCHEDULES

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
A. SHARE CAPITAL		
Authorised		
2000,000 (2000,000) Equity Shares of Rs. 1,000 each	2,000,000,000	2,000,000,000
Issued, Subscribed & Paid up		
1,543,500 (1,143,500) Equity Shares of Rs. 1,000 each fully paid up	1,543,500,000	1,143,500,000
	1,543,500,000	1,143,500,000
B. RESERVES & SURPLUS		
Capital Reserve:		
Grant-in-Aid from:		
Government of Netherlands	167,858,986	167,858,986
World Bank - GEF Project Grant	582,114,813	549,938,421
World Bank - SDC Project Grant	9,887,000	4,296,000
	759,860,799	722,093,407
Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961		
(A) Created up to 31.3.97	119,573,145	119,573,145
(B) Addition after 31.3.97	13,715,000	13,715,000
Addition during the year	105,247,000	—
	238,535,145	133,288,145
NBFC Reserve as per RBI Norms		
Balance from previous year	30,382,276	27,957,000
Addition during the year	37,551,000	2,425,276
	67,933,276	30,382,276
Debenture Redemption Reserve		
Balance from previous year	177,459,543	177,459,543
General Reserve	500,000	—
Surplus:		
Balance from previous year	60,719	59,744
Add: Transferred from Profit & Loss A/c	56,658	975
	117,377	60,719
	1,244,406,140	1,063,284,090
C. CAPITAL GRANT		
Capital Grant from World Bank for purchase of Fixed Assets		
Balance from previous year	14,492,103	17,465,308
Received during the year	17,057,466	4,046,015
	31,549,569	21,511,323
Less: Transferred to Miscellaneous Income	8,034,656	7,019,220
	23,514,913	14,492,103

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
D. SECURED LOAN		
9% Tax free Secured Redeemable Energy Bonds (Series I : 1990-91)		
Redeemable at par after the expiry of 10 years i.e., on 20.02.2001	250,000,000	250,000,000
The above bonds		
i) are redeemable with buy back facility at par on the expiry of lock in period of 3 years upto the face value of Rs. 40,000/-per bond holder		
10% Tax free Secured Redeemable Energy Bonds (Series II : 1994-95)		
Redeemable at par after the expiry of 7 years i.e., on 21.03.2002	1,000,000	1,000,000
10.5% Tax free Secured Redeemable Energy Bonds (Series II : 1994-95)		
Redeemable at par after the expiry of 7 years as under:		
Tranche I on 21.03.2002	150,000,000	150,000,000
Tranche II on 24.03.2002	100,000,000	100,000,000
Tranche III on 30.03.2002	199,000,000	199,000,000
Tranche IV on 31.03.2002	50,000,000	50,000,000
10.5% Tax free Secured Redeemable Energy Bonds (Series III :1995-96)		
Redeemable at par after the expiry of 7 years, i.e., on 30.03.2003	300,000,000	300,000,000
10.5% Tax free Secured Redeemable Energy Bonds (Series IV : 1996-97)		
Redeemable at par after the expiry of 7 years as under:		
Tranche I on 01.01.2004	410,000,000	410,000,000
Tranche II on 27.03.2004	298,540,000	298,540,000
Tranche III on 31.03.2004	201,380,000	201,380,000
9.5% Tax free Secured Redeemable Energy Bonds (Series V : 1997-98)		
Redeemable at par after the expiry of 7 years as under:		
Tranche I on 17.02.2005	250,000,000	250,000,000
Tranche II on 23.02.2005	250,000,000	250,000,000
Tranche III on 23.03.2005	500,000,000	500,000,000
10.5% Tax free Secured Redeemable Energy Bonds (Series VI : 1998-99)		
Redeemable at par after the expiry of 7 years as under:		
Tranche I on 22.12.2005	310,000,000	—
Tranche II on 05.01.2006	190,000,000	—
Tranche III on 16.03.2006	300,000,000	—
Tranche IV on 17.03.2006	100,000,000	—
However put/call option is available after 5 years.		
Term Loan		
CANARA BANK	—	321,000,000
	3,859,920,000	3,280,920,000

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
E. UNSECURED LOANS		
A) Loans Guaranteed by the Government of India		
LIFE INSURANCE CORPORATION OF INDIA	—	75,000,000
ASIAN DEVELOPMENT BANK	843,884,355	788,297,365
B) Government Loans		
Against		
IDA Credit	2,129,700,000	1,088,800,000
DANIDA Credit	—	238,889,000
	2,973,584,355	2,190,986,365

F. FIXED ASSETS

(Amount in Rs.)										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.4.1998	Additions during the year	Disposals/ written off during the year	As at 31.3.99	As at 1.4.1998	For the year	Disposals/ written off during the year	As at 31.3.1999	As at 31.3.1999	As at 31.3.1998
Buildings-residential-leasehold	4,143,149	—	—	4,143,149	728,139	170,750	—	898,889	3,244,260	3,415,010
Buildings-office-leasehold	26,410,058	—	—	26,410,058	4,205,813	1,110,212	—	5,316,025	21,094,033	22,204,245
Office Equipment	6,572,354	1,178,890	673,483	7,077,761	1,853,526	693,179	371,787	2,174,918	4,902,843	4,718,828
Computers	28,922,957	19,431,378	—	48,354,335	19,836,750	8,158,972	—	27,995,722	20,358,613	9,086,207
Furniture & Fixtures	4,955,725	463,072	—	5,418,797	2,996,654	418,274	—	3,414,928	2,003,869	1,959,071
Vehicles	252,207	—	—	252,207	127,149	32,378	—	159,527	92,680	125,058
Library	671,178	16,594	—	687,772	671,178	16,594	—	687,772	—	—
	71,927,628	21,089,934	673,483	92,344,079	30,419,209	10,600,359	371,787	40,647,781	51,696,298	41,508,419
Previous year	64,495,512	7,475,606	43,490	71,927,628	21,283,855	9,164,241	28,887	30,419,209	41,508,419	43,211,657

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
G. INVESTMENT		
Unquoted		
120,000 Equity shares of Rs.10/- each in M.P. WIND FARMS LTD. fully paid up	1,200,000	1,200,000
Quoted		
Government securities	100,000,000	101,000,000
Less : Provision for Depreciation in Investments	—	(1,000,000)
	101,200,000	101,200,000
H. CURRENT ASSETS		
1. Cash and Bank balances		
Cash in hand (imprest)	30,362	36,997
Bank balances with Scheduled Bank		
A) In Current Account		
- IREDA	133,702,978	77,013,573
- MNES	19,656,190	10,058,531
- UNDP	16,257,317	30,962,867
B) In Foreign Currency Account		
- UNDP GEF Hilly Hydro	59,192,000	55,293,000
C) In Deposit Account		
a) Short term Deposit		
- IREDA	1,306,125,307	597,500,000
- MNES	287,300,000	340,500,000
b) Dollar Deposit	850,362,976	796,084,023
	2,672,627,130	1,907,448,991
2. Interest accrued but not due on Loans and Deposits		
- On Loans	44,224,259	27,435,869
- On STD	7,249,103	3,371,582
- On Govt. Securities	1,843,014	1,843,014
- On \$ Deposit (BOB)	9,082,268	11,794,816
	2,735,025,774	1,951,894,272

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
I. LOANS & ADVANCES		
Loans to constituents		
As per last balance sheet		
– IREDA	6,176,147,907	5,443,249,215
– MNES	337,086,169	297,850,242
ADD: Transfer from other Advances		
– IREDA	5,721,490	1,638,013
– MNES	26,396	(448,261)
Add : Disbursements during the year		
– IREDA & WB	2,148,943,545	1,695,030,724
– MNES*	108,310,768	177,561,296
	8,776,236,275	7,614,881,229
Less : Repayment during the year		
– IREDA	889,028,340	963,770,045
– MNES*	193,310,952	137,877,108
	7,693,896,983	6,513,234,076
Add : Incidental Charges of NPA	1,310,306	653,108
Less : Provision as per RBI Norms	(269,620,395)	(180,580,124)
	7,425,586,894	6,333,307,060
Interest accrued and due on Loans	145,873,757	45,789,248
Loans to Employees	8,723,830	6,711,671
	7,580,184,481	6,385,807,979
* includes MNES Subsidy of Rs. 59,149,975.50 (Previous year-Rs. 44,691,676)		
Advances (Unsecured, considered good)		
(Recoverable in cash or in kind or for value to be received)		
Security Deposits	254,956	239,920
Staff Advances	866,755	1,655,867
Others	49,710,292	69,571,957
Advance Tax	441,505,939	295,411,096
	492,337,942	366,878,840
TOTAL	8,072,522,423	6,752,686,819
Particulars of Loan & Advances :		
– Loans considered good in respect of which Company is fully secured	6,449,928,669	5,608,126,489
– Loans considered good in respect of which Company holds no security other than personal security of the debtor	1,560,648,016	1,190,194,741
– Loans considered doubtful	331,566,134	134,945,713
TOTAL	8,342,142,819	6,933,266,943
– Due by Directors of the Company	317,341	16,720
– Due by other Officers of the Company	9,272,859	8,350,818
– Maximum amount due at any time during the year by directors of the Company	714,695	181,588
– Maximum amount due at any time during the year by Officers of the Company	8,875,505	8,185,950

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
J. CURRENT LIABILITIES		
Bank Overdraft (IREDA)	11,780,880	82,058,645
Canara Bank Overdraft (MNES)	423,856	101,133,003
Sundry Creditors	6,588,161	1,620,545
MNES Programme Funds	722,911,048	677,179,278
UNDP Programme Funds	16,257,317	30,962,867
Interest accrued but not due	152,504,500	100,197,462
Interest Subsidy Small Hydro UNDP	28,947,000	—
Proposed Dividend	40,000,000	—
UNDP GEF Hilly Hydro Grant	59,192,000	55,293,000
Other Liabilities	41,425,292	34,989,905
	1,080,030,054	1,083,434,705
K. PROVISION FOR TAXATION		
For Income Tax	258,234,000	132,271,785
For Interest Tax	57,542,209	40,500,302
For Dividend Tax & Surcharge	4,400,000	—
	320,176,209	172,772,087
L. INCOME FROM OPERATION		
Interest on Loans	925,419,121	691,803,421
Less : Rebate on Interest	2,204,775	1,185,865
Less : Interest Tax	17,041,907	12,174,140
	906,172,439	678,443,416
Commitment fee and charges	28,012,079	25,871,825
Application Fee	1,945,000	1,335,000
MNES Service Charges	3,845,263	5,401,279
	939,974,781	711,051,520
M. OTHER INCOME		
Interest on Deposit	116,732,819	59,132,543
Interest on Staff Loan	799,322	537,333
Interest on Govt. Securities	10,850,000	2,717,042
Service charges UNDP Programme	659,495	349,524
Miscellaneous income	13,850,856	7,731,231
Profit on Sale of Fixed Assets	—	5,286
Dividend	336,000	336,000
Difference in Exchange	—	75,621
	143,228,492	70,884,580

Schedules to Financial Statements for the year ended 31st March, 1999

Particulars	As at 31.3.99 Rs.	As at 31.3.98 Rs.
N. PERSONNEL EXPENSES		
Salaries, Wages and other amenities	23,940,619	14,477,393
Contribution to Gratuity and Provident Funds	2,106,864	1,194,087
Human Resource Development	235,825	229,270
Staff Welfare	2,907,431	2,300,180
Recruitment	1,559	1,509,911
	29,192,298	19,710,841
O. ADMINISTRATIVE EXPENDITURE		
Business Promotion	2,582,637	1,396,739
Conveyance & Travelling	4,141,478	4,790,566
Decade of Service Celebration	—	6,079,387
Electricity & Water Charges	74,458	153,889
Information & Dissemination	598,480	3,721,683
Insurance	174,566	177,786
Legal & Professional Fee	3,981,808	3,991,802
Loss on Sale/ due to Theft of Fixed Assets	802,921	—
Newspapers and Periodicals	338,834	319,383
Office Maintenance	926,582	151,022
Office Rent	1,010,150	955,991
Postage, Telegram & Telephone	2,793,652	2,833,934
Printing and Stationery	2,056,917	2,815,743
Rate & Taxes	923,664	1,998,539
Renewable Energy Run	—	3,976,595
Repairs & Maintenance	1,082,366	583,420
ROC Fee	1,700	3,155,930
Miscellaneous	1,083,914	1,207,615
	22,574,127	38,310,024
P. FINANCE CHARGES		
Interest on Borrowings		
— on Bonds	312,467,285	208,413,312
— on Loans	298,393,102	324,954,779
	610,860,387	533,368,091
Other Finance Charges		
Bond issue & Loan raising Expenses written off	22,412,667	24,746,001
Bond Trusteeship fee	696,500	586,500
Bank Charges	70,070	148,585
Commitment Fee (ADB)	6,202,498	2,332,380
DANIDA Loan expenses	—	1,786,890
Guarantee Fee (LIC)	57,534	187,500
GOI Guarantee Fee (ADB)	5,084,862	1,209,227
	34,524,131	30,997,083
	645,384,518	564,365,174

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

SCHEDULE 'Q'

A. SIGNIFICANT ACCOUNTING POLICIES:

(1) General

The financial statements are prepared on the historical cost basis and conform to the statutory provisions and practices prevailing in the country.

(2) Revenue Recognition

- Income and expenses are generally accounted for on accrual basis except the following which are accounted for on cash basis:
 - Income on Non-performing assets where interest has become past due for two quarters or more.
 - Additional interest charged by way of liquidated damages for default in payment of instalment/ interest within the stipulated time.
 - Prepayment premium received on loan.
 - Commitment fee at stipulated rate collected from the borrowers.
 - One time service charges in respect of MNES Programmes.
 - Ex-gratia in lieu of bonus paid as per the directions of Government of India.

- Loan/Bond issue expenses such as front-end-fee/Arrangers' fee, Stamp duty, etc. are written off during the tenure of the loan/bond.

- Interest subsidy from MNES is appropriated and accounted for as income on due basis.

(3) Foreign Currency Transactions

Monetary assets, liabilities and undrawn interest on Special Dollar Deposit Account/Dollar Deposit Account with Bank of Baroda are translated at exchange rates prevailing at the year end. Income & Expenditure in foreign currency are translated into Indian Rupee at the exchange rate prevailing on the date of transaction and accounted as per the guidelines issued by ICAI.

(4) Fixed Assets

- Premises and other assets are stated at historical cost.
- Depreciation on fixed assets (including leasehold properties) is provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- Depreciation on Library books is provided @ 100% in the year of purchase.
- Insurance claims are accounted for as and when admitted by the insurer.

(5) Investments

- Investment in equity shares of units financed are classified as Long Term and valued at cost.
- Investment in Government Securities made in compliance with RBI guidelines for NBFC are intended to be held till maturity. These too are classified as Long term investment.
- The investments in Government Securities are valued as per RBI guidelines.

(6) Asset Classification and Provisioning

IREDA is registered and classified as Loan Company as per Non-Banking Financial Companies (Reserve Bank) Directions, 1998. The Company is following prudential norms in respect of income recognition, asset classification and provisioning for non-performing assets as prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

Loans secured against Hypothecation, English Mortgage, Equitable Mortgage, Joint Equitable Mortgage and Hypothecation of fixed assets, as the case may be, are classified as fully secured.

(7) Grants

Grants received/receivable from respective Donors for acquisition of eligible fixed assets is accounted for as capital grants. Such grant is allocated to income over the periods and in the proportions in which the depreciation on those assets is charged.

Grant-in-aid received/receivable for financing projects in the specified sectors of New and Renewable Sources of Energy (NRSE) is treated and accounted for as Capital Reserve.

Grant-in-aid received/receivable for eligible revenue expenditure is accounted for as revenue grants. The respective revenue expenditure for which the grant has accrued is accounted net of grant.

(8) Staff Benefits

(i) Provident Fund

Company contributes to its own Provident Fund Trust which is recognised by the Income Tax authorities. Company's contributions for the year to Provident Fund Trust are charged to Revenue.

(ii) Gratuity

The Company has taken Master Policy of Life Insurance Corporation of India to cover its liability on account of gratuity payable to its employees. Annual premium paid during the year is charged to Revenue.

(iii) Leave Encashment

The liability on account of leave encashment is provided on the basis of actuarial valuation at the year end.

B. NOTES ON ACCOUNTS :

(1) The Company besides its own activities implements Programmes on behalf of Ministry of Non-Conventional Energy Sources on the basis of Memorandum of Understanding entered into with them. In terms of stipulations of each of the MoUs, MNES has placed an agreed sum in respect of each Programme with IREDA for programme implementation.

On closure of the respective Programmes, IREDA is required to transfer the amount standing to the credit of MNES (inclusive of interest accrued thereon) to them after deducting the Service Charges, irrecoverable defaults and other dues as stipulated in the MoU. The amount due to MNES on account of the above at the close of year along with interest on unutilised funds kept with Scheduled Commercial Banks as short-term deposits, is shown under Current Liabilities in the Balance Sheet.

(2) Interest Subsidy

Pending acceptance and compliance of terms and conditions of Interest Subsidy Scheme of MNES Baggasse-based Co-generation, Small Hydro, Briquetting and Biomass Combustion-based Power projects, the Interest Subsidy of Rs. 1229.26 lakhs (upto 1996-97: Rs. 170.00 lakhs, during 1997-98: Rs. 255.49 lakhs and during 1998-99 : Rs. 803.77 lakhs) received under the above Programme has been stated under Current Liabilities.

(3) (i) The balance in Dollar Deposit Account amounting to Rs. 8503.64 lakhs (equivalent to US \$ 201.12 lakhs) includes :

(a) US\$ 2.74 lakhs (equivalent to Rs. 115.97 lakhs) (previous year : US\$ 3.18 lakhs equivalent to Rs. 125.67 lakhs) which represents the imprest received from World Bank for utilisation towards eligible capital and revenue expenditure as per the terms of GEF Grant Agreement. The equivalent amount is stated under Other Liabilities.

(b) US\$ 198.38 lakhs (equivalent to Rs. 8387.67 lakhs)(previous year : US\$ 198.38 lakhs – equivalent to Rs. 7835.17 lakhs) which represent part of the unsecured loan availed from Asian Development Bank.

(ii) A sum of US\$ 1.4 million (equivalent to Rs. 591.92 lakhs)(previous year : US\$ 1.4 million – equivalent to Rs. 552.93 lakhs) received for creation of a Revolving Fund for Hilly Hydro Projects on behalf of the UNDP-GEF Hilly Hydro Project of the Ministry of Non-Conventional Energy Sources has been kept in Foreign Currency Account. The equivalent amount is stated under Current Liabilities.

(4) Current Assets include a sum of Rs. 162.57 lakhs (previous Year: Rs. 309.62 lakhs) in Current Account with Scheduled Banks on account of unutilised funds received from UNDP/MNES for implementation of "Green House Gases Emission" in the country vide letter No.5/2/41/94/UI/GEF-6 dated 8-1-1996 issued by MNES. The equivalent amount is shown under Current Liabilities.

(5) Current Assets include a sum of Rs. 39.38 lakhs (previous year: Rs. 39.38 lakhs) recoverable on account of tax deposited on payments made without deduction of Tax at Source to SPV Advisor, whose agreement for appointment is approved by Ministry of Finance under Section 10(8A) of the Income Tax Act, 1961.

(6) Tax Free Bonds (Series I, II, III, IV, V and VI) issued by the Company are secured by a negative lien on the book debts of the Company.

(7) (i) Conveyance deeds in respect of leasehold buildings - a residential flat costing Rs. 41.43 lakhs and office premises costing Rs. 264.10 lakhs are yet to be executed in favour of the Company. The cost includes proportionate value for land which has not been separately determined and accounted for. As such, depreciation has been charged on composite cost at the rates prescribed as per Schedule XIV of the Companies Act, 1956.

- (ii) Consequent to the letter issued by the Ministry of Urban Affairs & Employment (Lands Division) vide their letter No.J-13014/3/87-LD dated 4th/5th March 1999 to L&DO, New Delhi with a copy to India Habitat Centre (IHC) to charge land premium at institutional rate instead of commercial rate for the lease-hold office premises allotted by IHC to IREDA, the total demand of Rs.1.63 crores raised by IHC vide letter No. IHC-6/12/1232 dated 25-8-1995 at commercial rate towards land premium (Rs.1.44 crores) and Ground Rent (Rs.0.19 crore) has become infructuous. Additional liability at institutional rate, if any, has not been determined so far by the IHC. It shall be accounted for/capitalised when demand is raised/paid.
- (8) Provision for pay revision in respect of non executives due from 1-8-97 has been made based on the average increase of salary of executives proposed in the DPE Office Memorandum No. 2(49)/98-DPE(WC) dated 25/6/1999 which works out to 20% (approx). The additional provident fund contribution liability on account of revision of pay scales will be remitted after the same is approved by the competent authority.
- (9) Three borrowers have filed petitions in Hon'ble Delhi High Court against the Company, seeking reduction in rate of interest. Pending final decision of the Hon'ble High Court and keeping in view the consent letters executed by the borrowers accepting the enhanced rates before the disbursement of funds to them, no provision is made for the interest reduction (Rs.77.55 lakhs) in respect of one of the borrowers from whom the interest received/receivable is recognised as income.
- (10) Office Equipment includes Rs. 0.31 lakh (previous Year: Rs. 0.31 lakh) being the cost of items issued to the Honourable Ex-Minister of State for Non-Conventional Energy Sources, which is yet to be received back.
- (11) In compliance with the Reserve Bank of India (RBI) guidelines on prudential norms for income recognition and assets classification issued vide reference No. DFC:119/DG(SPT)-98 dated 31st January, 1998, unrealised interest amounting to Rs. 2411.24 lakhs (previous year: Rs. 2297.32 lakhs) on accounts classified as Non Performing Asset (NPA) has not been recognised as income for the year. A sum of Rs. 38.76 lakhs (previous year: Rs. 222.54 lakhs) being the amount of unrealised interest pertaining to 1997-98 has been reversed in respect of those accounts which have been classified as NPA for the first time during the year. Similarly, interest realised during the year pertaining to earlier years amounting to Rs. 325.16 lakhs (previous year : Rs. 12.25 lakhs) has been recognised as income.
- (12) While making provisions for Non- Performing Assets under RBI Guidelines, the value of security for doubtful cases has been derived from the last Balance Sheet of the constituents/other documents available on record and depreciated as per rates prescribed under Schedule XIV of the Companies Act, 1956/Income Tax Act, 1961 instead of realisable value of security as required under RBI Guidelines for provisioning of the doubtful assets as the authentic realisable value is not determinable/available.
- (13) On the basis of legal opinion obtained by the Company, Section-N of Guidelines for protection of interest of debenture-holders issued by the Securities and Exchange Board of India are not applicable to Tax Free Bonds issued by the Company on Private Placement basis. Consequently, no further appropriation towards Debenture Redemption Reserve has been made during the year.
- (14) Loan to constituents include a sum of Rs. 15606.48 lakhs (previous year : Rs. 11901.95 lakhs) in respect of which the execution of final security documents are in the process of being completed by the constituents.

- (15) The extended period for issue of Bond Certificates for Bonds allotted during 1995-96, 1996-97 and 1997-98 has expired. However, these could not be issued due to non-receipt of Stamp Duty/ Income Tax exemption from Central Board of Direct Taxes/Ministry of Finance. For Bonds allotted during 1998-99, extension for issue of Bond Certificates is sought for from Company Law Board.
- (16) The Current Asset, Loans & Advances have a value on their realisation in the ordinary course of the business equivalent to the amount stated in the Balance Sheet.
- (17) The remuneration paid to Statutory Auditors of the Company is as under:-
- For Statutory Audit Rs. 69,000 (previous year : Rs. 52,000)
For Tax Audit Rs. 27,600 (previous year : Rs. 20,800)
- (18) Remuneration paid to the Director (Finance) and Managing Director are as under:

	Director (Finance)*	(Amount in Rs.) Managing Director
Salary	50,833	2,31,566 (2,15,370)
Medical Allowance	4,003	18,836 (16,845)
Provident Fund	5,763	25,540 (20,961)
Value of perquisite for Residential Accommodation as per Income-Tax Act	—	25,040 (23,415)
LTC	—	(Nil)
Staff Car (As per Income Tax Rules)	1,034	4,184 (4,200)
Total :	61,633	3,05,166 (2,81,151)

*w.e.f. 1.1.1999.

Previous year figures shown within bracket.

- (19) The Managing Director and Director (Finance) have been provided with a Staff Car, for use also for private journeys upto a ceiling of 1,000 kms per month on payment of Rs. 250/- per month in accordance with the provisions of Govt. of India, BPE O.M. No. 4(12)/82-BPE(WC) dated 1.4.87 as amended from time to time. The said deduction has been increased from Rs. 250/- per month to Rs. 325/- per month w.e.f. 26th March, 1999 vide DPE letter No. 2(53)/90-DPE(WC)-GIV dated 26th March, 1999. The monetary value of the above perquisite for the use of staff car, if calculated, in accordance with the provisions of the Income-Tax Act, 1961 would amount to Rs . 4,184/- (Previous year also Rs. 4,200/-) in respect of Managing Director and Rs. 1,034/- in respect of Director (Finance).

- (20) Income Tax and Interest Tax assessments have been completed upto F.Y. 1994-95.
Wealth-Tax assessments have been completed upto F.Y. 1995-96.
- (21) Contingent liability - Rs. 'Nil' lakhs (previous year : Rs. 0.87 lakh) (Liquidated damages under disputes with M/s. Decor India Pvt. Ltd.).
- (22) Information pursuant to the provisions of Part-II of Schedule VI of the Companies Act, 1956:
- a) Expenditure in Foreign Currency:
— On Travelling Rs. 1.09 lakhs (previous Year : Rs. 'Nil' lakhs)
— Others Rs. 645.57 lakhs (previous Year : Rs.163.88 lakhs)
- b) Earnings in Foreign Exchange:
— Interest Rs. 492.86 lakhs (previous Year : Rs. 127.33 lakhs)
- c) Revenue Grant Rs. 471.83 lakhs (previous Year : Rs. 391.70 lakhs) (SDC/GEF/Netherlands)
- (23) The estimated amount of contracts (net of advances) remaining to be executed on Capital account and not provided for is Rs. 'Nil' (previous year 'Nil').
- (24) Figures are rounded off to the nearest rupee. Previous year's figures have been re-arranged/re-grouped wherever considered necessary to make them comparable with the current year's figures.
- (25) Schedule 'A' to 'Q' form an integral part of Balance Sheet and Profit & Loss Account and have been duly authenticated.

R. K. SACHDEVA
Company Secretary

T. PRABAKARAN
Director (Finance)

DR. V. BAKTHAVATSALAM
Managing Director

N. N. MOOKERJEE
Chairman

As per our report of even date

For K. K. GHEI & Co.
Chartered Accountants

(D.S. SOBTI)
PARTNER

Place : New Delhi
Date : 11th August, 1999

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration No.	0 2 7 2 6 5	State Code	5 5 (Refer Code List)
Balance Sheet Date	3 1 0 3 9 9	Date	Month Year
II. Capital raised during the year (Amount in Rs. Thousands)			
Public Issue	N I L	Right Issue	N I L
Bonus Issue	N I L	Private Placement (Govt. Contribution)	4 0 0 0 0 0
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	1 1 0 4 5 1 3 1	Total Assets	1 1 0 4 5 1 3 1
Sources of Funds			
Paid-up Capital	1 5 4 3 5 0 0	Reserves & Surplus	1 2 6 7 9 2 1
Secured loans	3 8 5 9 9 2 0	Unsecured loans	2 9 7 3 5 8 4
Current Liabilities	1 4 0 0 2 0 6		
Application of Funds			
Net Fixed Assets	0 0 5 1 6 9 6	Investment	0 1 0 1 2 0 0
Current Assets	1 0 8 0 7 5 4 8	Misc. Expenditure & others	0 0 8 4 6 8 7
Accumulated Losses	N I L		
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover (Gross Income)	1 0 8 3 2 0 3	Total Expenditure	7 9 6 7 9 1
Profit before tax	+ 2 8 2 2 5 4	Profit after tax	+ 1 8 7 7 5 4
(Please tick appropriate box (+) for Profit (-) for Loss)			
Earnings per share in Rs. (PAT)	1 2 2	Dividend Rate %	2 . 5 9
V. Generic names of Three Principal Products/Services of Company (as per monetary terms)			
Item Code No. (ITC Code)	N O T A P P L I C A B L E		
Product Description	P R O J E C T F I N A N C I N G		

N.N. MOOKERJEE
Chairman

DR. V. BAKTHAVATSALAM
Managing Director

STATUS OF MNES FUNDS AS ON 31.03.99

(Amount/Rs.)

PROGRAMME	BALANCE AS ON 1.4.98	GRANT RECEIVED DURING THE YEAR	INTEREST EARNED DURING THE YEAR	SERVICE CHARGES RECOVERABLE	AMOUNT REFUNDED	
SECTOR			S.T.D.	LOAN		
1 SPV MFG. LOAN	100,177,366.79	0.00	3,866,986.00	6,446,119.00	219,441.00	0.00
2 SPV. USER'S LOAN (32290+32425+32045)	218,731,315.04	0.00	3,896,255.00	5,349,156.79	2,517,169.00	0.00
3 SPV. USERS'S SUBSIDY (32424+32044)	28,825,342.43	0.00	4,398,056.00	0.00	0.00	0.00
4 SPV. MARKET	10,699,955.01	0.00	135,480.00	839,086.00	68,522.00	0.00
5 SOLAR THERMAL	106,201,908.60	0.00	6,178,063.00	4,469,873.00	538,349.00	0.00
6 WIND ENERGY	117,765,594.44	0.00	4,681,108.00	4,478,989.12	501,783.00	0.00
7 MICRO HYDEL GRANT	7,730,571.41	0.00	0.00	0.00	0.00	0.00
8 SPV PUMPING PUBLICITY GRANT 94-95	12,372,459.70	0.00	0.00	0.00	0.00	0.00
9 SOLAR THERMAL GRANT 93-94	16,529.00	0.00	0.00	0.00	0.00	0.00
10 SOLAR THERMAL GRANT 94-95	4,496.00	0.00	0.00	0.00	0.00	0.00
11 MNES BAGASSE BASED POWER GEN. INT. SUBSIDY TO THIRU AROORAN SUGARS LTD.	10,004,109.59	0.00	0.00	0.00	0.00	10,000,000.00
12 MNES SUBSIDY ON BIOMASS	11,290,821.92	0.00	0.00	0.00	0.00	0.00
13 MNES SPV. MKT. PRGM. REMBURNT.	972,200.93	0.00	0.00	0.00	0.00	0.00
14 MNES BAGASSE BASED POWER GEN. INT. SUBSIDY TO SUDALAGUNTA SUGARS	7,000,000.00	0.00	0.00	0.00	0.00	0.00
15 MNES SPV. PUMPING FILM GRANT	10,000.00	0.00	0.00	0.00	0.00	0.00
16 SOLAR THERMAL FILM GRANT	83,100.00	0.00	0.00	0.00	0.00	0.00
17 MNES CAPITAL SUBSIDY TO INDO LAHAARI BIO POWER LTD.	77,301.00	1,000,000.00	0.00	0.00	0.00	0.00
18 INTEREST SUBSIDY ON SOLAR THERMAL	19,407,997.00	0.00	0.00	0.00	0.00	0.00
19 INTEREST SUBSIDY ON BIOMASS BRIQ.	2,000,000.00	1,580,000.00	0.00	0.00	0.00	0.00
20 INTEREST SUBSIDY TO GHAGHARA SUGAR LTD.	4,500,000.00	0.00	0.00	0.00	0.00	0.00
21 SOLAR COOKER INTEREST SUBSIDY	1,482,285.00	0.00	0.00	0.00	0.00	0.00
22 INTEREST SUBSIDY TO MBDL	5,000,000.00	0.00	0.00	0.00	0.00	0.00
23 INTEREST SUBSIDY ON BIOMASS CUMBSION	12,758,000.00	0.00	0.00	0.00	0.00	0.00
24 INTEREST SUBSIDY TO SHAMANUR SUGARS LTD.	0.00	25,246,000.00	0.00	0.00	0.00	0.00
25 INTEREST SUBSIDY TO SI-AL SBEC BIO-ENERGY LTD.	0.00	10,800,000.00	0.00	0.00	0.00	0.00
26 INTEREST SUBSIDY TO EXCEL ENERGIES AND TECH.	0.00	3,279,000.00	0.00	0.00	0.00	0.00
27 INTEREST SUBSIDY TO PRABHULINGESHWAR SUGAR	0.00	11,637,000.00	0.00	0.00	0.00	0.00
28 INTEREST SUBSIDY TO RAYALASEEMA POWER PROJECTS LTD.	0.00	7,279,000.00	0.00	0.00	0.00	0.00
29 INTEREST SUBSIDY TO RENUKA SUGARS	0.00	7,221,000.00	0.00	0.00	0.00	0.00
30 INTEREST SUBSIDY TO SKJ POWER PROJECTS LTD.	0.00	3,939,000.00	0.00	0.00	0.00	0.00
31 INTEREST SUBSIDY TO UGAR SUGAR WORKS	0.00	20,196,000.00	0.00	0.00	0.00	0.00
TOTAL	677,111,353.92	92,177,000.00	23,155,948.00	21,538,223.91	3,845,264.00	10,000,000.00

SUBSIDY DISBURSED	TOTAL FUNDS AS ON 31.3.99	LOANS OUTSTANDING AS ON 31.3.99	INTEREST OUTSTANDING AS ON 31.3.99	BALANCE WITH BANK	BALANCE WITH IREDA	TOTAL FUNDS
				CURRENT A/C	S.T.D	
0.00	110,271,030.79	55,221,000.00	3,817,372.50	1,798,226.40	50,000,000.00	-565,568.11 110,271,030.79
0.00	225,459,557.83	122,179,454.71	6,550,465.00	13,284,805.35	47,800,000.00	35,644,832.99 225,459,557.83
59,149,975.00	-25,926,576.57	0.00	0.00	302,973.48	22,500,000.00	-48,729,550.05 -25,926,576.57
0.00	11,605,999.07	5,775,000.00	0.00	345,943.51	4,500,000.00	985,055.56 11,605,999.07
0.00	116,371,983.00	45,727,927.04	842,900.12	1,883,563.02	78,000,000.00	-10,082,407.18 116,371,983.00
0.00	126,423,908.56	23,209,000.00	0.00	1,539,521.03	84,500,000.00	17,175,387.53 126,423,908.56
247,958.60	7,482,612.81	0.00	0.00	0.00	0.00	7,482,612.81 7,482,612.81
11,894,816.94	477,642.76	0.00	0.00	0.00	0.00	477,642.76 477,642.76
0.00	16,529.00	0.00	0.00	0.00	0.00	16,529.00 16,529.00
0.00	4,496.00	0.00	0.00	0.00	0.00	4,496.00 4,496.00
0.00	4,109.59	0.00	0.00	0.00	0.00	4,109.59 4,109.59
0.00	11,290,821.92	0.00	0.00	0.00	0.00	11,290,821.92 11,290,821.92
0.00	972,200.93	0.00	0.00	0.00	0.00	972,200.93 972,200.93
0.00	7,000,000.00	0.00	0.00	0.00	0.00	7,000,000.00 7,000,000.00
0.00	10,000.00	0.00	0.00	0.00	0.00	10,000.00 10,000.00
0.00	83,100.00	0.00	0.00	0.00	0.00	83,100.00 83,100.00
1,000,000.00	77,301.00	0.00	0.00	77,301.00	0.00	0.00 77,301.00
3,126,008.83	16,281,988.17	0.00	0.00	0.00	0.00	16,281,988.17 16,281,988.17
0.00	3,580,000.00	0.00	0.00	0.00	0.00	3,580,000.00 3,580,000.00
0.00	4,500,000.00	0.00	0.00	0.00	0.00	4,500,000.00 4,500,000.00
59,068.00	1,423,217.00	0.00	0.00	0.00	0.00	1,423,217.00 1,423,217.00
0.00	5,000,000.00	0.00	0.00	0.00	0.00	5,000,000.00 5,000,000.00
0.00	12,758,000.00	0.00	0.00	0.00	0.00	12,758,000.00 12,758,000.00
0.00	25,246,000.00	0.00	0.00	0.00	0.00	25,246,000.00 25,246,000.00
1,853,857.00	8,946,143.00	0.00	0.00	0.00	0.00	8,946,143.00 8,946,143.00
0.00	3,279,000.00	0.00	0.00	0.00	0.00	3,279,000.00 3,279,000.00
0.00	11,637,000.00	0.00	0.00	0.00	0.00	11,637,000.00 11,637,000.00
0.00	7,279,000.00	0.00	0.00	0.00	0.00	7,279,000.00 7,279,000.00
0.00	7,221,000.00	0.00	0.00	0.00	0.00	7,221,000.00 7,221,000.00
0.00	3,939,000.00	0.00	0.00	0.00	0.00	3,939,000.00 3,939,000.00
0.00	20,196,000.00	0.00	0.00	0.00	0.00	20,196,000.00 20,196,000.00
77,331,604.37	722,911,064.86	252,112,381.75	11,210,737.62	19,232,333.79	287,300,000.00	153,055,611.70 722,911,064.86



A workshop on 'Power Generation from Municipal Waste' sponsored by MNES & IREDA held at Pune, Maharashtra.



Participants at a programme on 'SPV Water Pump' sponsored by IREDA held at Hyderabad.



Hon'ble Minister for Power, Arunachal Pradesh at IREDA sponsored Business Meet on Biogas held at Itanagar, Arunachal Pradesh.



IREDA co-sponsored Business Meet on 'ESCO Development' held at Pune, Maharashtra.



IREDA financed 22 MW Co-generation plant set up in village Duggavati, Bellary District, Karnataka, under ADB Line of Credit.

इरेडा IREDA



सहस्राब्दि में अक्षय ऊर्जा
RENEWABLE ENERGY
MILLENNIUM ENERGY

Renewable Energy for the New Millennium

The logo reflects the relevance of adoption & promotion of renewable energy sources and the promise it holds for the world in the new millennium.

The logo has four integral parts. Sun, the origin of all sources of renewable energy is depicted in its traditional form of an orange ball. Power is represented by the symbol of electricity in yellow colour. Earth is depicted as a globe in green colour against a light blue background. It also shows eco-friendliness and environmental preservation. The dark blue base is indicative of time, i.e. the new millennium.



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(A Government of India Enterprise)

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