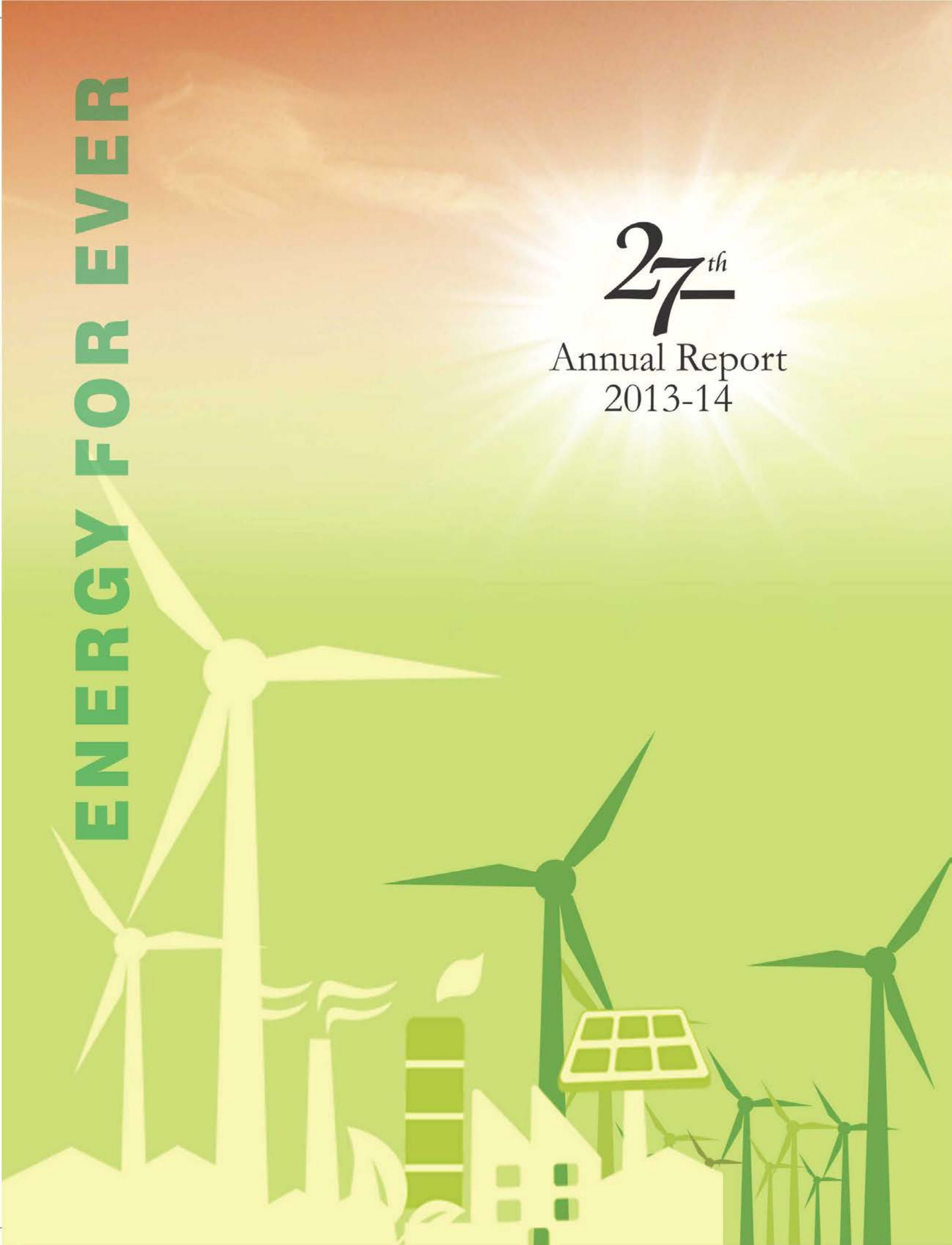




**ENERGY FOR EVER**

**27<sup>th</sup>**

Annual Report  
2013-14





## Our Mission

Be a pioneering, participant friendly and competitive institution for financing and promoting self-sustaining investment in energy generation from Renewable Sources, Energy Efficiency and Environmental Technologies for sustainable development.

## Quality Policy

IREDA is committed to maintain its position as a leading organization to provide innovative financing in Renewable Energy & Energy Efficiency / Conservation and Environmental Technologies through efficient systems & processes for providing total satisfaction and transparency to its customers.

IREDA shall strive for continual improvement in the quality of services to its customers through effective quality management system.

## Quality Objectives

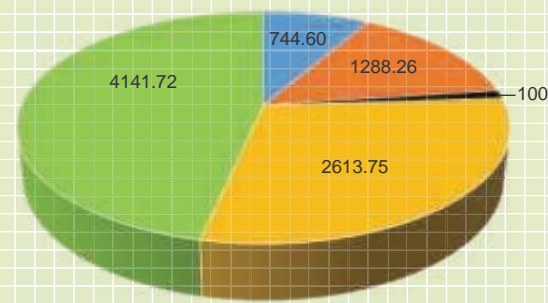
- Drive towards total customer satisfaction.
- Continual upgradation of capability and improvement in the professional skills of employees.
- Improvement in efficiency of services provided to customers.
- Continual improvement of systems, processes and services.





# Highlights of our Performance

**IREDA's Resource Base  
2013-14  
(₹ in Crore)**

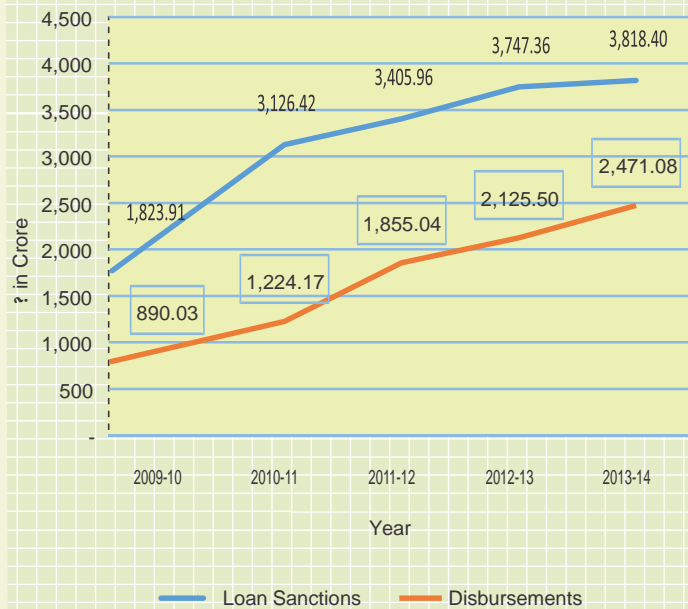


- Equity Capital
- Reserve & Surplus
- National Clean Energy Fund
- Domestic Borrowings
- International Assistance

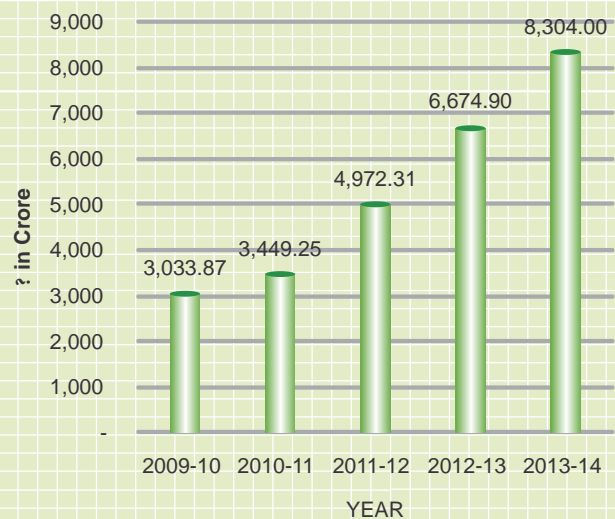
**IREDA's Working Results  
Profit Before Tax & Profit After Tax**



**IREDA's Operations Loan Sanctions & Disbursements**



**IREDA's Outstanding Loans**



(₹ in Crore)

RESOURCES	2009-10	2010-11	2011-12	2012-13	2013-14
Equity Capital	539.60	589.60	639.60	699.60	744.60
Reserves & Surplus	313.24	567.26	818.39	988.75	1288.26
International Assistance	1154.43	1432.11	2945.55	3793.96	4141.72
Domestic Borrowings	1193.98	1024.29	1187.77	1406.15	2613.75
<b>Total</b>	<b>3201.25</b>	<b>3613.26</b>	<b>5591.31</b>	<b>6888.46</b>	<b>8788.33</b>

OPERATIONS	2009-10	2010-11	2011-12	2012-13	2013-14
Loan Sanction	1823.91	3126.42	3405.96	3747.36	3818.40
Loan Disbursements	890.03	1224.17	1855.04	2125.50	2471.08
Repayments by Borrowers	437.17	816.93	336.71	436.80	890.95
Outstanding Loans (IREDA only)	3033.87	3449.25	4972.13	6674.90	8304.00
WORKING RESULTS					
Total Income	345.25	402.46	534.82	729.56	998.50
Profit before Tax	141.05	166.70	208.12	250.58	340.31
Profit after Tax	72.69	120.46	173.13	202.65	240.51
<b>Earnings per Share (Rs.)</b>	<b>136.88</b>	<b>209.20</b>	<b>273.14</b>	<b>300.90</b>	<b>327.29</b>





# ENERGY FOR EVER

## Renewable Energy



Shri Piyush Goyal  
Hon'ble Minister of State with independent charge  
for Power, Coal and New & Renewable Energy

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## Company Information

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<b>Chairman &amp; Managing Director</b>	Shri K.S. Popli (w.e.f. 01.03.2014) Shri Debashish Majumdar (up to 28.02.2014)
<b>Directors</b>	Shri K.S. Popli Shri Debashish Majumdar (up to 28.02.2014) Shri S.K. Bhargava Dr. M.Y. Khan Dr. Praveen Saxena Shri R.P. Batra (up to 30.06.2014)
<b>Company Secretary</b>	Shri Surender Suyal
<b>Registered Office</b>	India Habitat Centre East Court, Core 4 'A' 1 <sup>st</sup> Floor, Lodhi Road New Delhi - 110 003
<b>Corporate Office</b>	3 <sup>rd</sup> Floor August Kranti Bhawan Bhikaiji Cama Place New Delhi - 110 066
<b>Statutory Auditors</b>	M/s. Gianender & Associates Chartered Accountants Plot No.6, site No.21 Geeta Mandir Marg, New Rajinder Nagar New Delhi-110 060
<b>Bankers</b>	Vijaya Bank Union Bank of India State Bank of Hyderabad Bank of Baroda Canara Bank State Bank of India



# Board of Directors



**Shri K. S. Popli**  
Chairman & Managing Director



**Shri S. K. Bhargava**  
Director (Finance)



**Dr. M. Y. Khan**  
Independent Director



**Dr. Praveen Saxena**  
Government Nominee Director



**Shri R. P. Batra**  
Government Nominee Director  
(Upto 30.06.2014)





Senior Management Team of IREDA

## NOTICE

**NOTICE** is hereby given that the Twenty-seventh Annual General Meeting of the Members of Indian Renewable Energy Development Agency Limited (IREDA) will be held on Monday, September 29, 2014 at **12.30 P.M.** at The Taj Mahal Hotel, 1, Mansingh Road, New Delhi to transact the following businesses:

### ORDINARY BUSINESS

1. To consider and adopt the audited financial statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors' Report and Comments of Comptroller and Auditor General of India thereon.
2. To declare a Dividend.

### SPECIAL BUSINESS

3. To approve raising of resources through issue of taxable, secured redeemable, non-convertible bonds aggregating to ₹1000.00 Crore in this regard to consider and, if thought fit, to pass, with or without modification(s) the following Resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 42 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company to offer or invite subscriptions for taxable, secured, redeemable, non-convertible bonds, in one or more series/tranches, aggregating up to ₹1000.00 Crore (Rupees One Thousand Crore), on private placement, on such terms and conditions as the Board of Directors of the Company may, from time to time during the year 2014-15, determine and consider proper and most beneficial to the Company including as to when the said bonds be issued, the consideration for the

issue, utilization of the issue proceeds and all matters connected with or incidental thereto.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

The meeting has been convened by giving a shorter notice than required under the Companies Act, 2013. The consent from all Shareholders has been obtained.

### BY ORDER OF THE BOARD OF DIRECTORS

New Delhi

25<sup>th</sup> September, 2014

(Surender Suyal)

Company Secretary

1. All Members of Indian Renewable Energy Development Agency Limited,
2. The Chairman & Managing Director and Directors of the Indian Renewable Energy Development Agency Limited,
3. M/s. Gianender & Associates, Chartered Accountants, Plot No-6, Site No-21, Geeta Mandir Marg, New Rajinder Nagar, New Delhi – 110 060.

### Notes:

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company.**
2. A Statement pursuant to section 102(1) of the Companies Act, 2013, relating to special business under item No. 3 to be transacted at the Meeting is annexed hereto.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.





26th Annual General Meeting of Shareholders of IREDA



IREDA presented a cheque of ₹ 27.50 Crore towards dividend for the Financial Year 2012-13.

**Form No. MGT-11**  
**PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Corporate Identity Number (CIN): U40108DL1987GOI027265

**INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED**

[ A Government of India Enterprise ]

Regd. & Head Office: India Habitat Centre, Core-4' A', East Court,  
1<sup>st</sup> Floor, Lodhi Road, New Delhi – 110 003

Name of the member (s) :

Registered address :

E-mail Id:

Folio No./Client Id:

DP ID:

I/We..... being the member (s) of ..... shares of the above named company, hereby appoint

- |                 |                                   |
|-----------------|-----------------------------------|
| 1. Name : ..... | E-mail Id : .....                 |
| Address : ..... | Signature : ....., or failing him |
| 2. Name : ..... | E-mail Id : .....                 |
| Address : ..... | Signature : ....., or failing him |
| 3. Name : ..... | E-mail Id : .....                 |
| Address : ..... | Signature : .....                 |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **27<sup>th</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> day of September, 2014 at 12.30 p.m. at The Taj Mahal Hotel, 1, Mansingh Road, New Delhi** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

1.....

2.....

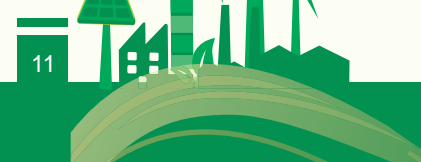
Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

Affix  
Revenue  
Stamp

Signature of Shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**NOTES:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





## ANNEXURE TO NOTICE

### AN EXPLANATORY STATEMENT

[Pursuant to Section 102(1) of the Companies Act, 2013]

#### ITEM NO. 3 OF THE NOTICE

The Board of Directors of IREDA at its 250<sup>th</sup> meeting held on 26<sup>th</sup> July, 2014 approved a proposal to borrow a sum of ₹1000 Crore through issue of taxable bonds in the nature of debentures (Series VI) by way of private placement basis as per the applicable provisions of Companies Act. The aforesaid proposal was approved by the Board to augment long term resources for financing Renewable Energy & Energy Efficiency projects and utilization of the said funds in the ordinary course of business of the Company during the year 2014-15.

Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deals with raising of resources through issue of bonds on private placement basis. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, the Company shall obtain previous approval of its shareholders by means of a Special Resolution once in a year for all the offers or invitations for such debentures during the year.

Accordingly, since IREDA's plan is to raise the long term resources during the year 2014-15 for an amount aggregating upto ₹1000 crore through issue of taxable bonds in the nature of non-convertible debentures by way of private placement basis, the approval of the shareholders is sought by passing a Special Resolution as set out at Item no.3 of the notice. IREDA may offer or invite subscription of these bonds in one or more series/tranches for an aggregate amount of ₹1000 crore only. This resolution enables the Board of Directors of

the Company to offer or invite subscription for non-convertible bonds, as may be required by the Company, from time to time during the year 2014-15.

The relevant document can be inspected at the registered office of the company during the business hours.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.3 of the Notice.

The Board recommends the Special Resolution set out at Item no. 3 of the Notice for approval by the Shareholders.

#### BY ORDER OF THE BOARD OF DIRECTORS

New Delhi  
25<sup>th</sup> September, 2014

(Surender Suyal)  
Company Secretary



MoU with MNRE for the year 2014-15 was signed on 24<sup>th</sup> March 2014 by Secretary, MNRE and CMD, IREDA





## CHAIRMAN'S SPEECH



Ladies and Gentlemen,

It gives me immense pleasure to welcome you to the Twenty Seventh Annual General Meeting of your Company. Notice of the Annual General Meeting and the Annual Report for the year 2013-14 are already with you and with your permission, I take them as read.

### OPPORTUNITIES AMID CHALLENGES

The new Government's vision of providing power 24x7 to each household has ignited new optimism in the power industry, especially with the exploration of renewable energy sources which offer excellent opportunities amid challenges for the industry. The new Government's strong focus on tapping renewable resources, particularly solar and wind power has vast potential and shall provide huge business opportunities for your Company in future.

The Annual budget for 2014-15 has proposed setting up mega solar power projects in Rajasthan, Gujarat, Tamil Nadu and Jammu & Kashmir with a funds allocation of ₹500 crore. The government has also announced a scheme for solar power driven agricultural pump sets and water pumping stations, for which a sum of ₹400 crore has been earmarked in the fiscal plan. Renewable Energy has acquired a much greater role in the total energy space in India due to its ability to provide energy security and energy access and your Company is geared to take up increase in its business volume in the Renewable Energy space.

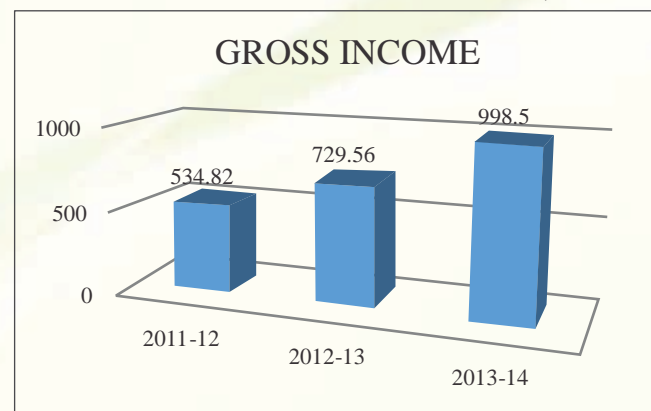
### PERFORMANCE IN 2013-14

I am happy to share with you that your Company has made

noteworthy progress during the year as is evident from the following performance parameters substantiating the operational and functional excellence of your Company:

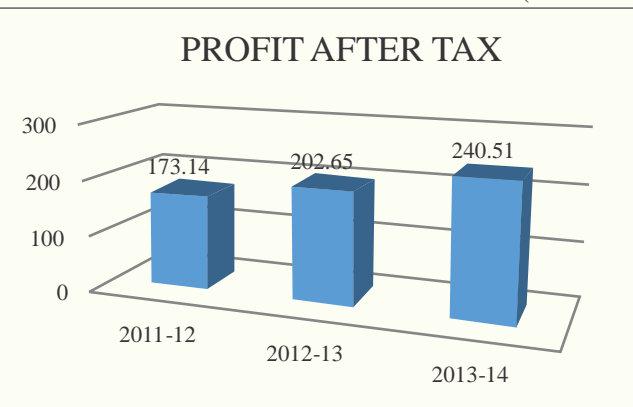
- During the year, your Company disbursed loans amounting to ₹2,471.08 crore registering an increase of 16.26% over the loans of ₹2,125.50 crore disbursed during the previous year, despite a challenging business environment.
- During the year, your Company's gross income was ₹998.50 crore showing a growth of 36.86% over the previous year 2012-13.

(₹ in Crore)



- Your Company's profit before tax was ₹340.31 crore at the end of the year 2013-14, registering an increase of 35.81% over the previous year's level of ₹250.58 crore, while its post-tax profit of ₹240.51 crore for the year represents an increase of 18.69% over the previous year's post tax profit of ₹202.65 crore.

(₹ in Crore)





- Your Company is proposing a dividend of ₹35 crore as against ₹27.50 crore in the previous year representing an increase of 27.27%.
- During the year, your Company issued tax free bonds including public issue for the first time and mobilised a total of ₹757.65 crore through these Bonds. Besides this, your company also issued taxable bonds amounting to ₹500 crore to meet its resource requirements.
- Your Company has raised ₹416.35 crore through Lines of Credit from various sources, viz. KfW, JICA and AFD. Further, an agreement for a long-term Line of Credit of €200 million for a period of 20 years was also executed during the year with the European Investment Bank (EIB).
- Loans sanctioned during the year by way of sole, co-financing and consortium financing arrangements are expected to result in capacity addition of 2518.36 MW. IREDA-financed projects having total capacity of 573.70 MW were commissioned during the year.
- Your Company has received several awards and has been recognised a leader in Renewable Energy financing. During the year, your Company received the “SCOPE Meritorious Award Gold Trophy” under the category of Best Managed Bank / Financial Institution.

#### **SUSTAINING SECTORAL LEADERSHIP**

Due to expected increase in business and consequent increase in risk exposure, your Company has strengthened its Project Appraisal process by introducing a two stage appraisal system, viz. i) obtaining risk-rating of the projects from external credit rating agencies and ii) scrutiny of the proposals through a separate Credit Committee.

Your Company has also introduced several new financing products / instruments to achieve sustained growth of its market share in Renewable Energy financing. These include fund-based products such as lines of credit, bridge loans and short-term loans to meet market requirements, as also non-fund based products such as performance guarantees. IREDA would continue to come out with newer products to ensure sustained growth of your Company and of the Renewable Energy sector.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has adopted Policies on Corporate Social

Responsibility (CSR) in line with and in compliance of Department of Public Enterprises (DPE) guidelines.

In this context and with a view to have an intensive approach to CSR, your Company has established a dedicated CSR unit to undertake the CSR programmes of the Company. In keeping with the importance given to this aspect, a CSR Committee of Directors has been constituted to oversee the CSR activities of your Company. During the year, your Company has contributed an amount of ₹4.053 crore towards the Chief Minister's Relief Fund, Uttarakhand for relief and rehabilitation activities for the people in the flood affected areas of the state.

#### **HUMAN RESOURCES DEVELOPMENT**

Employees are the drivers of the Company's growth and operational effectiveness. I am happy to inform you that Training and HRD initiatives aimed at sharpening business skills and competence required for better employee performance continue to receive priority. Your Company remains committed to provide all possible opportunities and support to the employees to improve their performance and productivity. In an effort to build capacity and enhance its human capital, the Company plans to identify and fill any gap in its employees' skill sets. In this regard your Company has assigned a study to Administrative Staff College of India (ASCI), Hyderabad to assess the various aspects relating to HR and to suggest a roadmap incorporating best practices in this regard for addressing the present and future HR needs of your Company.

#### **CORPORATE GOVERNANCE**

Your Company is committed to adhering to best corporate practices to increase the confidence of investors as also that of other stakeholders and to effectively discharge the developmental responsibility assigned to it. It shall continue to maintain the best standards of corporate governance and risk management. IREDA's ultimate aim is to enhance the long term economic value of not only our stakeholders but also of society at large.

#### **THE FUTURE**

In a growing economy like ours, the demand for power will continue to increase. However important issues like delays in regulatory approvals, problems in land acquisition / power evacuation and environmental clearances, etc. need immediate attention. Unlike the rest of the power sector which



is suffering a setback on account of fuel supply and other constraints, the Renewable Energy sector which is endowed with abundant supply of natural resources, represents best opportunity. The strength of the sector also lies in its ability to cater to both, grid-connected and off-grid requirements to supplement the power needs in rural and power deficit regions of the country. Given a strong policy framework of the Government, the sector would remain vibrant and attract significant investment in the foreseeable future.

With the emphasis on the National Solar Mission by MNRE, various opportunities are provided to IREDA for enlarging its business operation/ involvement by direct funding of projects and providing indirect support services such as fund handling and GBI administration. Similarly with the proposed National Missions for wind, biomass etc. your company will have greater business opportunities.

Your Company is also exploring options for setting up of power generation projects, particularly, based on Wind and Solar energy. Your Company is also one of the Partners in Special Purpose Vehicles (SPV- I & II) for setting up of Grid and Off-grid Renewable Energy Power generation projects under consortium of Oil Marketing Companies which will play an important role in the near future.

Over the years, your Company has acquired unique insight into financing of RE sector and is confident of sustained growth of business and your Company. The proactive support from the Government to the Renewable Energy sector gives me strong optimism for the growth of your Company and the sector.

**Place: New Delhi**

**Dated: 29<sup>th</sup> September, 2014.**

## **ACKNOWLEDGEMENTS**

I, on behalf of Board of Directors, acknowledge with deep appreciation the cooperation and guidance received from Ministry of New & Renewable Energy, Ministry of Finance, other Ministries and Departments of the Government of India and the Reserve Bank of India.

I am thankful to Japan International Cooperation Agency (JICA), Kreditanstalt fur Wiederaufbau (KfW), Agence Francaise de Development (AFD), European Investment Bank (EIB), Asian Development Bank (ADB), Nordic Investment Bank (NIB)), and other international financial institution/ agencies and investors for their support and look forward to their continued encouragement and co-operation.

I wish to convey my special thanks to the bankers, bondholders and clients for the continued confidence and trust reposed by them in your Company.

For their valuable support and guidance provided in taking your Company forward, I would like to place on record my deep appreciation for all my colleagues on the Board of Directors.

None of these achievements would have been possible without the hard work, dedication, loyalty and commitment of the employees, who remain your Company's most valuable assets. On behalf of the Board of Directors I take this opportunity to place on record with gratitude, their contribution to the growth of the Company.

Thank you,

**(KULJIT SINGH POPLI)**  
**Chairman & Managing Director**



IREDA received certificate of appreciation for its special contribution for the successful implementation of the Rooftop PV and small solar power generation programme.





## DIRECTORS' REPORT

### To the Members,

Your Directors have great pleasure in presenting the 27<sup>th</sup> Annual Report on the performance of your Company along with the audited statement of accounts for the Financial Year [FY] ended March 31, 2014.

### 2. FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company for the FY 2013-14 are as under:

	(₹ in Crore)		
	2012-13	2013-14	% increase
Loans Sanctioned	3,747.36	3818.40	1.90
Loans Disbursed	2,125.50	2471.08	16.26
Gross Income	729.56	998.50	36.86
Finance Cost	380.60	487.96	28.21
Profit before Tax	250.58	340.31	35.81
Profit after Tax	202.65	240.51	18.69
Net Worth	1,688.35	2032.86	20.41

#### 2.1 Capital adequacy ratio

Your Company's Capital Risk Adequacy Ratio (CRAR) stood at 23.79% as at the end of the year under report.

### 3. LENDING OPERATIONS

#### 3.1 Sanctions and Disbursements

The achievement of loan sanction and disbursement surpassed the MOU targets of ₹3790 Crore and ₹2370 Crore respectively, set for the year 2013-14.

During the year, your Company sanctioned loans of ₹3818.40 Crore (inclusive of ₹138.28 Crore towards performance guarantee issued by IREDA) registering an increase of 1.90% over the previous year loan sanction of ₹3747.36 Crore and disbursed ₹2471.08 Crore showing an increase of 16.26% over the previous year disbursement of ₹2125.50 Crore. The sector-wise details of the sanctions and disbursements during the FY 2013-14 are as under:

(₹ in Crore)

Sectors	Sanctions	Disbursements
Wind Power	1801.30	1173.55
Hydro Power	724.52	724.50
Biomass & Co-generation	402.17	198.17
Solar Energy	787.41	266.61
Waste to Energy & Misc.	3.00	8.25
National Clean Energy Fund (NCEF)	100.00	100.00
<b>Total</b>	<b>3818.40</b>	<b>2471.08</b>

Cumulative sanctions and disbursements as on 31<sup>st</sup> March, 2014 stood at ₹26,277.63 Crore and ₹14319.87 Crore respectively. The details of cumulative state-wise and sector-wise sanctions and disbursements, are given at Annexure I to IV.

#### 3.2 Capacity Sanctioned

The loans sanctioned during the year 2013-14, including co-financed projects/take over loans would support capacity addition of 2518 MW. Sector wise addition of Capacity through IREDA financed & co-financed projects is indicated below:

Sectors	Capacity (MW)
Wind Power	733.80
Small Hydro Power	44.50
Bagasse Co-generation	121.40
Waste to Energy & Misc.	0.66
SPV Power	142.00
<b>Sub-total (a)</b>	<b>1042.36</b>
Large/Medium Hydro*	1476.00
<b>Sub-total (b)</b>	<b>1476.00</b>
<b>Grand Total (a+b)</b>	<b>2518.36</b>

\*sanctioned under co-financing arrangement with other banks/FIs

#### 3.3 Capacity Commissioned

During the FY 2013-14, IREDA supported projects of total capacity of 573.70 MW were commissioned including 31.5 MW takeover projects.



101.2 MW Wind Farm Project of M/s. Rayala Wind Power Company Private Limited (in Co-Financing Mode) Set up in Balavenkatapurum Village, Atmakur Taluk, Anantapur District of Andhra Pradesh





#### 4. RECOVERY & STRESSED ASSETS MANAGEMENT

Financing the Renewable Energy sector with its inherent technological & other risks associated with development of RE projects has been undertaken by IREDA as part of its mandate & developmental focus. To bring down the NPAs acquired in the process, your Company adopted various strategies including concerted follow up, rescheduling, one time settlement, action under SARFAESI Act, 2002 and recovery through Debts Recovery Tribunal etc. These have helped your company in recovery of an aggregate amount of ₹43.53 Crore during the year from non-performing assets including an amount of ₹2.75 Crore recovered in respect of written-off assets.

In spite of rigorous actions of recovery, gross NPAs & net NPA level during the FY 2013-14 escalated to the level of 4.18% from 3.86% and 2.46% from 0.92% respectively in the previous year mainly due to the problems associated with Biomass/Co-generation sectors.

#### 5. RESOURCE MOBILIZATION

The total long term borrowing of your Company stood at ₹6648.59 Crore as on 31.3.2014 as against ₹5093.18 Crore in the previous year.

During the year 2013-14, your company raised a total of ₹1680.10 Crore through external/domestic borrowings. Details of these borrowings are as under:

##### 5.1 External Resources

During the year, a total of ₹416.35 Crore was raised from external sources viz. Kreditanstalt fur Wiederaufbau (KfW), Japan International Cooperation Agency (JICA) and Agence Francaise de Development (AFD) from ongoing lines of credit. Further, during the year a loan agreement for a long term Line of Credit for €200 Million was executed with European Investment Bank (EIB) for a loan period of 20 years.

##### 5.2 Domestic resources

###### 5.2.1 Taxable/Tax Free Bonds

Your Company mobilized funds through Taxable/Tax-free Bonds from the Domestic Market during the FY 2013-14. The details are as under:

(₹ in Crore)

S.No.	Particulars	Amount
1.	Taxable Bonds	500.00
2.	Tax-free Bonds	757.65*

\*Includes ₹36.00 Crore on private placement basis.

Tax Free Bonds are listed on Bombay Stock Exchange Limited and National Stock Exchange Limited and Taxable Bonds are listed on National Stock Exchange Limited. The funds raised from the above said issues were utilized during the ordinary course of business of the Company.

##### 5.2.2 Overdraft facilities

Your Company tied up an Overdraft limit of ₹348.00 Crore with 3 scheduled commercial banks against which the outstanding overdraft as on 31<sup>st</sup> March, 2014 was ₹115.37 Crore.

#### 6. SHARE CAPITAL

The authorized share capital of your Company as on 31.3.2014 was ₹1000 Crore. 100% shareholding of your Company is held by the Government of India. During the year, the Government of India infused equity of ₹45.00 Crore in your Company as a result the Paid-up Share Capital of the company increased to ₹744.60 Crore during year ended 31.3. 2014 from ₹699.60 Crore in the previous year.

#### 7. DIVIDEND

Your Directors recommended a dividend of ₹35.00 Crore as against ₹27.50 Crore in the previous year, representing an increase of 27.27%.

#### 8. CREDIT RATING

Your company was awarded credit rating of AAA (SO) from M/s Credit Analysis and Research Limited (CARE) and M/s. Brickwork Ratings Private Limited for the taxable/ tax free bonds, issued during 2013-14.

#### 9. ISO CERTIFICATION

The company has been striving for continual improvement in its Quality Management System. During the year 2013-14, the renewal Audit was conducted by BIS and your Company was awarded the certification for a further period of 3 years i.e. from 29<sup>th</sup> December, 2013 to 28<sup>th</sup> December 2016.

## 10. RISK MANAGEMENT

Your Company has implemented an effective integrated Risk Management Policy. Highlights of the major Risk areas covered under the Policy are Credit Risk, Market Risk & operation Risk. To mitigate the Credit Risk, your Company has constituted a Credit Committee which reviews all the credit proposals before they are submitted for sanction by Competent Authority.

Your Company has also constituted a Risk Management Committee to address the various risks besides a separate Forex Management Committee to deal with foreign exchange risk and hedging.

## 11. JOINT VENTURE

M/s. M.P. Wind Farms Limited (MPWL) a Joint Sector Company in collaboration with the IREDA, Government of Madhya Pradesh and Consolidated Energy Consultants (P) Limited, a private sector company with shareholding of 24%, 25% and 51% respectively. The paid-up capital of M/s MPWL stood at ₹70.00 lakhs which includes your company's initial subscription of ₹12.00 lakhs and bonus share of ₹4.80 lakhs against the authorized share capital of ₹100.00 lakhs. Considering the financial results, no dividend was paid for the financial year 2013-14.

## 12. RESEARCH AND BUSINESS DEVELOPMENT

Your company continued its efforts for various research/development activities in renewable energy and energy efficiency for business development. On the research and development an amount of ₹103.60 lakhs was spent which was 0.51% of profit after tax. The following activities were conducted under Research and Business Development:

### 12.1 Business Meet

The Company continued to support Seminars, Workshops & Business Meets to promote renewable energy and energy efficiency. During the year 2013-14, 19 such events were supported in various states.

### 12.2 Dissemination of Information

Your company continued to create awareness of renewable energy technologies, Energy Efficiency and Conservation (EEC) and also its financial assistance schemes. To help dissemination of information, your company has hosted all its publications on its website. A popular monthly journal

“Energy Next” exclusively dedicated to clean energy was continued to be supported by your company.

### 12.3 Analysis of Wind and Solar Generation

Your company conducted studies on performance analysis of wind and solar generation based on the data available in public domain and successfully completed the same during the year.

### 12.4 Customer Relations

Your Company endeavors to function with a user friendly approach. Besides a citizen's charter placed on its website to provide information to stakeholders, a Customer Facilitation Centre and a Grievance Redressal Committee are in place to receive feedback from customers and to address their concerns. The online portal for customer feedback has been operationalized during the year.

### 12.5 Investors' Information Study

Your company conducted a study for Investors' Information and completed the same during the year.

## 13. SOCIAL COMMITMENT

### 13.1 Conservation of Energy: Ecology & Environment

There are no significant particulars relating to conservation of energy, technology absorption under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 as your Company does not own any manufacturing facility. However, the Company has made intensive use of technology in its operations during the year under review.

The Company has been supporting development of renewable energy technology projects which have a positive impact on the environment, besides reducing pollution. Your company supported RE projects with a total power capacity of 2518 MW exclusively/in co-financing with other lenders.

### 13.2 Corporate Social Responsibility

Your Company has formulated a Policy on Corporate Social Responsibility (CSR) based on revised DPE guidelines on CSR & Sustainability for Central Public Sector Enterprises issued during the year.

In order to have intensive approach, your Company has created a separate CSR unit to undertake the CSR programs of the Company. Further, to oversee the activities of CSR, a CSR Committee of Directors has also been constituted.



Your Company entered into Memorandum of Understanding with Government of India for spending 2% of the Profit after Tax (PAT) towards Corporate Social Responsibilities (CSR) activities. As part of its Corporate Social Responsibilities (CSR), your company has contributed a sum of ₹ 4.053 crore towards Chief Minister's Relief Fund, Uttarakhand for relief and rehabilitation activities for the people in the flood affected areas of Uttarakhand, out of "CSR Fund" for the financial year 2013-14 in terms of DPE's OM dated 24.6.2013 permitting such contribution to be part of CSR activities.

## **14. HUMAN RESOURCE DEVELOPMENT**

### **14.1 Human Resource**

Your Company continues to give great emphasis to Human Resource Development. Your Company deputed its officials to various training programs seminars/workshops/symposia, both in India and abroad, for a total 509 man-days to keep them abreast in the sector to enhance their competence level and to enable them to perform their responsibility. The leadership/competency skill training were also provided to all the senior officials of the company. Training promote better understanding of business requirement, professional requirement as well as to sensitize them to socio-economic and political environment in which business is carried out.

Your company also assigned a study to Administrative Staff College of India (ASCI), Hyderabad for Organizational Restructuring of IREDA.

### **14.2 Personnel and Industrial Relations**

Personnel relations continued to be cordial and harmonious during the financial year. There was no loss of man-days on account of industrial unrest.

### **14.3 Particulars of Employees**

Information with regard to the particulars of the employees in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (particulars of employees) rules, 1975 is annexed to this Report at Annexure -V.

### **14.4 Reservation for SC/ST/OBCs/PWDs**

Your Company as a part of social responsibility, strictly observes the Government Policy regarding recruitment and promotion of candidates belonging to Scheduled Castes/

Scheduled Tribes/ Other Backward Communities/ Person with Disabilities.

## **14.5 Awards & Recognition**

Your Company is in the forefront of developing and creating success stories for deployment of renewable energy in the country. The efforts of your Company have been duly recognized at various forums. During the financial year 2013-14, your Company was awarded Gold Trophy of "SCOPE Meritorious Award" under the category of "Best Managed Bank/Financial Institution or Insurance Company" for the year 2011-12; India Pride Award "Excellence in Financial Sector, Government NBFCs" by Dainik Bhaskar and a Certificate of Appreciation for special contribution for successful implementation of RPSSGP (Phase-I) under Jawaharlal Nehru National Solar Mission (JNNSM) by Ministry of New and Renewable Energy.

## **15. AUDITS & INSPECTION OF ACCOUNTS**

### **15.1 Statutory Audit & Audit Review**

M/s. Gianender & Associates, Chartered Accountants, New Delhi, were appointed by the Comptroller and Auditor General of India, as Statutory Auditors of the Company for the financial year 2013-14. The Statutory Auditors' Report to the Members does not contain any qualification.

The Comments of the Comptroller and Auditor General of India on the accounts, Statutory Auditors' Report to the Members and the comments of the Management thereon are annexed at Annexure VIII.

### **15.2 Internal Audit**

The Company's internal control system is designed to ensure operational efficiency protection, accuracy and promptness in financial reporting and compliance with laws and regulations. M/s. K.G. Somani & Company, Chartered Accountants, New Delhi were appointed your Company's Internal Auditors for the financial year 2013-14 for reviewing the adequacy and efficacy of the Company's internal controls including its systems and procedures and compliance with regulations and procedures. Internal Audit Reports were discussed with the Management and were reviewed by the Audit Committee of the Board.

## **16. CORPORATE GOVERNANCE**

A detailed report on Corporate Governance and certificate of





Inauguration of Vigilance Awareness Week 2013



हिन्दी पखवाड़ा 2013 के शुभारंभ कार्यक्रम





practicing Company Secretary regarding compliance of Corporate Governance guidelines form part of Directors' Report and are annexed as per Annexures-VI and VII respectively.

## 17. VIGILANCE

Vigilance Department has been entrusted with the role of ensuring that all the instructions/directions issued by the CVC are being complied with in IREDA. It is also collecting intelligence about the corrupt practices committed / likely to be committed; investigating or causing an investigation to be made into verifiable allegations, processing investigations reports for further consideration of disciplinary authority concerned; referring matters to the Central Vigilance Commission for advice, wherever necessary.

Vigilance Department has been emphasizing on greater use of IT to bring in more transparency in the systems and procedures being followed in IREDA. During the Financial Year 2013-14, Vigilance Department has made several suggestions for system improvements. As a result, online work flow systems for monitoring and payment of vendors and suppliers bills was implemented; a workflow for online request and issue of Vigilance Clearance of employees was introduced (85 numbers of vigilance clearance have been given); employees have been given option to view his / her Annual Performance Report; induction programme for newly recruited Executive Trainees and Management Trainees on the Conduct Discipline and Appeal Rules of IREDA was conducted, purchase manual was reviewed and updated. During the year training programmes were also organized on vigilance matters for employees of IREDA. Experienced practitioners from the relevant field were invited as resource person for these training programme.

In accordance with the directives of the Central Vigilance Commission, the Company observed Vigilance Awareness Week (28<sup>th</sup> October to 2<sup>nd</sup> November, 2013) during which employees took pledge for maintaining integrity in public life as well as in personal life, they also participated in various competitions held during the week. Besides, a lecture programme and a play was also organized on the relevant subject.

## 18. OFFICIAL LANGUAGE IMPLEMENTATION

Your Company continued to promote the use of Hindi as the Official Language as per Government directives. Facilities,

including Hindi software, glossaries etc. to enable working in Hindi have been made available on all computers. During the year, various events such as workshops, competitions with cash prizes for encouraging use of Hindi in official work. Hindi Pakhwara and Hindi Diwas was organized during the period 1<sup>st</sup> to 14<sup>th</sup> September, 2013.

## 19. MoU with Government of India (GoI)

Based on the achievements made by your Company against the agreed MoU Targets in the Memorandum of Understanding (MoU) signed with the Ministry of New & Renewable Energy (MNRE), Government of India for the financial year 2013-14, the performance of Your Company is likely to be rated as "Excellent".

## 20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect of the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirm that

- in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed and no material departures have been made from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at the end of 31<sup>st</sup> March, 2014 and Statement of the Profit and Loss for the period ended 31<sup>st</sup> March, 2014;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the annual accounts for the financial year ended on 31<sup>st</sup> March, 2014, on a going concern basis.

## 21. ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for the continued guidance, co-operation and support received

from the Ministry of New & Renewable Energy, Ministry of Finance and other Ministries/ Departments of the Government of India. The Company is thankful to Kreditanstalt fur Wiederaufbau (KfW), Asian Development Bank (ADB), Nordic Investment Bank (NIB), Agence Francaise de Development (AFD), Japan International Cooperation Agency (JICA), European Investment Bank (EIB) and other international financial institution/agencies and investors for their cooperation, guidance and help.

The Company is thankful to the Comptroller and Auditor General of India, the Statutory Auditors and the Internal Auditors for their valued support and guidance.

We extend our special thanks to the bankers, investors and clients for reposing their confidence and trust in the Company.

Your Directors would also like to take this opportunity to express their appreciation of the commitment and contribution of the employees to the growth of the Company and look forward to their continued commitment and support towards the progress of the Company. The Directors also place on record their gratitude to the Shareholders for reposing their continued trust and confidence in the Company.

For and on behalf of the Board of Directors

Place : New Delhi  
Dated: 05.09.2014

**(KULJIT SINGH POPLI)**  
**Chairman & Managing Director**



IREDA received India Today PSU Award





## STATEWISE SANCTIONS DURING THE LAST FIVE YEARS

Annexure-I

Sl. No.	Name of State/ Union Territory	2009-10		2010-11		2011-12		2012-13		2013-14		Cumulative since 1987	
		No. of Projects	Loan Amount	No. of Projects	Loan Amount	No. of Projects	Loan Amount	No. of Projects	Loan Amount	No. of Projects	Loan Amount	No. of Projects	Loan Amount
1	Andhra Pradesh	0	20.90	1	76.51	3	187.64	1	62.00	4	309.90	260	2068.77
2	Arunachal Pradesh	0	0	2	555.00	1	250.00	0	0	0	0	3	805.00
3	Assam	0	0	0	0	0	0	0	0	0	0	3	9.40
4	Bihar	0	0	1	8.5	0	0	0	0	1	25.00	10	36.67
5	Chhattisgarh	0	0	1	90.50	0	0	0	0	0	0	7	166.81
6	Gujarat	1	17.25	6	247.55	14	816.68	2	97.11	3	290.85	123	2063.30
7	Goa	0	0	0	0	0	0	0	0	0	0	8	0.62
8	Haryana	0	0	0	0	1	3.90	1	103.39	0	0	24	136.33
9	Himachal Pradesh	9	340.35	5	282.70	8	313.04	6	707.35	3	221.31	71	2282.33
10	Jammu & Kashmir	0	0	0	0	0	0	0	0	0	0	2	0.67
11	Jharkhand	0	0	1	69.00	3	56.08	1	14.48	0	0	7	139.89
12	Karnataka	4	254.62	4	283.88	5	335.89	4	240.34	4	248.51	295	4109.05
13	Kerala	0	0	0	0	0	0	0	0	1	95.00	32	220.11
14	Madhya Pradesh	0	0	1	7.28	1	125.10	0	0	1	60.00	77	425.80
15	Maharashtra	2	189.80	3	51.27	4	521.05	12	945.25	8	930.68	358	4156.96
16	Manipur	0	0	0	0	0	0	0	0	0	0	3	0.46
17	Mizoram	0	0	0	0	0	0	0	0	0	0	1	0.16
18	Nagaland	0	0	0	0	0	0	0	0	0	0	1	0.82
19	NCT of Delhi	0	0	0	0	0	0	0	0	0	0	61	47.63
20	Orissa	0	0	0	0	2	103.98	0	0	0	0	14	347.17
21	Punjab	0	0	0	0	1	10.87	0	0	3	326.59	35	420.78
22	Rajasthan	1	14.92	2	138.13	3	90.04	9	753.69	7	489.92	89	1721.44
23	Sikkim	0	0	0	0	0	0	0	0	2	297.05	2	297.05
24	Tamilnadu	9	642.27	3	226.56	12	33.59	1	138.30	1	80.00	441	2430.24
25	Uttar Pradesh	0	0	0	0	1	57.14	2	100.30	2	259.44	85	830.64
26	Uttarakhand	1	120.00	1	22.25	2	100.96	3	221.15	1	84.15	20	767.46
27	West Bengal	0	0	0	0	0	0	0	0	0	0	56	265.34
28.	NCEF	-	-	-	-	-	-	-	-	2	100.00	2	100.00
29	Multistate Project	2	223.80	3	1067.29	3	400.00	3	364.00	0	0	12	2417.09
	<b>Total 'A'</b>	<b>29</b>	<b>1823.91</b>	<b>34</b>	<b>3126.42</b>	<b>64</b>	<b>3405.96</b>	<b>45</b>	<b>3747.36</b>	<b>43</b>	<b>3818.40</b>	<b>2102</b>	<b>26267.99</b>
<b>B</b>	<b>Union Territory</b>												
1	Andaman Nicobar	0	0	0	0	0	0	0	0	0	0	1	0.11
2	Daman	0	0	0	0	0	0	0	0	0	0	2	8.13
3	Pondicherry	0	0	0	0	0	0	0	0	0	0	2	1.38
	<b>Total 'B'</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>9.62</b>
<b>C</b>	<b>Total 'A' + 'B'</b>	<b>29</b>	<b>1823.91</b>	<b>34</b>	<b>3126.42</b>	<b>64</b>	<b>3405.96</b>	<b>45</b>	<b>3747.36</b>	<b>43</b>	<b>3818.40</b>	<b>2107</b>	<b>26277.63</b>



10 MW Solar Photovoltaic Grid Connected Power Project of M/s Emmvee Energy Pvt. Ltd.  
at Village Gowripalli, Manepalli Taluk Hindupur, District Ananthapur in Andhra Pradesh.



Annexure -II

**SECTORWISE SANCTIONS DURING LAST FIVE YEARS**

(₹ in Crore)

S. No.	Sector	2009-10	2010-11	2011-12	2012-13	2013-14	Cumulative Since 1987
1	Wind Power	1174.09	1495.63	1643.54	1792.17	1801.30	11876.83
2	Hydro Power	483.45	984.51	772.93	914.46	724.52	6318.43
3	Biomass Power & Cogeneration	157.37	328.35	499.65	711.12	402.17	4460.97
4	Energy Efficiency & Conservation	0	261.56	141.13	0	0	976.10
5	Solar Energy	9.00	39.39	344.81	321.51	787.41	2317.46
6	Waste to Energy	0	16.98	3.90	8.10	3.00	90.31
7	Biomethanation from Industrial Effluents	0	0	0	0	0	19.47
8	Biomass Briquetting	0	0	0	0	0	12.43
9	Biomass Gasification	0	0	0	0	0	72.47
10	National Clean Energy Fund (NCEF)	-	-	-	-	100.00	100.00
11	Miscellaneous	0	0	0	0	0	33.16
	<b>Total</b>	<b>1823.91</b>	<b>3126.42</b>	<b>3405.96</b>	<b>3747.36</b>	<b>3818.40</b>	<b>26277.63</b>



हिन्दी पखवाड़ा के दौरान आयोजित प्रतियोगिता का दृश्य

## STATEWISE DISBURSEMENT DURING LAST FIVE YEARS

SI No.	Name of The States/Union Territories	2009-10	2010-11	2011-12	2012-13	2013-14	Cumulative Since 1987
<b>A</b>	<b>States</b>						
1	Andhra Pradesh	55.26	41.87	35.23	77.88	291.03	1521.76
2	Assam	0	0	0	0	0	0.21
3	Bihar	0	0	0	0	0	0.62
4	Chattishgarh	0	15.00	23.66	21.29	5.65	127.52
5	Goa	0	0	0	0	0	0.22
6	Gujarat	58.60	102.01	372.52	241.36	23.03	1185.73
7	Haryana	0.67	0	0	1.50	37.09	43.86
8	Himachal Pradesh	98.68	270.76	97.43	207.99	454.58	1339.32
9	Jharkhand	0	0	31.79	36.41	0	68.25
10	Karnataka	355.39	109.77	327.86	530.78	229.90	3078.65
11	Kerala	0	0	0	0	0	44.43
12	Madhya Pradesh	0.37	60.59	45.26	10.24	0	254.44
13	Maharashtra	112.85	330.30	393.35	437.31	333.96	2477.30
14	Nct of Delhi	0	0	0	0	0	12.55
15	Nagaland	0	0	0	0	0	0.65
16	Orissa	0	4.00	0	103.96	0	231.23
17	Punjab	0	0	10.30	0.54	0	91.35
18	Rajasthan	13.38	180.18	114.21	266.33	604.98	1338.19
19	Sikkim	0	0	0	0	178.87	178.87
20	Tamilnadu	169.10	107.01	401.53	89.05	99.87	1664.71
21	Uttar Pradesh	0	0	0	100.86	31.00	290.99
22	Uttarakhand	25.73	2.68	1.90	0	81.12	216.67
23	West Bengal	0	0	0	0	0	49.73
24	NCEF	-	-	-	-	100.00	100.00
	<b>Total 'A'</b>	<b>890.03</b>	<b>1224.17</b>	<b>1855.04</b>	<b>2125.50</b>	<b>2471.08</b>	<b>14317.25</b>
<b>B</b>	<b>Union Territories</b>						<b>0</b>
1	Daman	0	0	0	0	0	1.49
2	Pondicherry	0	0	0	0	0	1.13
	<b>Total 'B'</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2.62</b>
	<b>Total 'A + B'</b>	<b>890.03</b>	<b>1224.17</b>	<b>1855.04</b>	<b>2125.50</b>	<b>2471.08</b>	<b>14319.87</b>





Hydro Project of M/s. Khandaleru Power Company Ltd. in the State of Karnataka



16 MW Jongini SHP in the State of Himachal Pradesh by M/s. Gandari Hydro Power Private Limited



**Annexure -IV**
**SECTORWISE DISBURSEMENT DURING LAST FIVE YEARS**

(₹ in Crores)

S. No.	Sector	2009-10	2010-11	2011-12	2012-13	2013-14	Cumulative Since 1987
1	Wind Power	515.92	644.34	1199.50	1207.89	1173.55	7256.24
2	Hydro Power	229.03	340.49	165.76	356.28	724.50	2880.37
3	Biomass Power & Cogeneration	107.86	226.28	330.92	347.94	198.17	2627.11
4	Energy Efficiency & Conservation	15.18	8.00	73.25	59.74	0	332.96
5	Solar Energy	21.57	0	83.47	151.20	274.86	988.58
6	Waste To Energy	0.47	5.06	2.14	2.45	0	58.66
7	Biomethanation From Industrial Effluents	0	0	0	0	0	57.60
8	Biomass Briquetting	0	0	0	0	0	9.99
9	Biomass Gasification	0	0	0	0	0	5.12
10	National Clean Energy Fund (NCEF)	-	-	-	-	100.00	100.00
11	Miscellaneous	0	0	0	0	0	3.24
	<b>Total</b>	<b>890.03</b>	<b>1224.17</b>	<b>1855.04</b>	<b>2125.50</b>	<b>2471.08</b>	<b>14319.87</b>



Visit of IREDA officials to Solar Project at Spain (Study Tour)





**Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies  
(Particulars of employees) Rules 1975, and forming part of Directors' Report  
for the year ended March 31, 2014**

S. No.	Employee Name	Designation	Educational Qualification	Age	Experience (in years)	Date of joining	Gross Remuneration (₹)	Previous employment and designation
1.	Shri Debashish Majumdar	CMD (Superannuated as on 28.02.2014)	B.Tech (Electrical Engineering -1976) IIT, Delhi.	60	37	01.02.2000	89,31,753/-	Renewable Energy System Limited - General Manager
2.	Shri K.S. Popli	CMD	BSC (Electrical Engineering) - 1981 PG Diploma in Project Mgmt., LLB	54	32	04.12.2007	62,80,354/-	Power Finance Corporation Ltd.- Additional General Manager

## REPORT ON CORPORATE GOVERNANCE

*The Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability for achieving sustainable long term growth and profitability.*

As a Government Company- Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India, is followed by the Company. A certificate from Practicing Company Secretaries- M/s. B. Mathur & Co. Company Secretaries, confirming compliance of conditions of Corporate Governance in line with the DPE guidelines is annexed at ANNEXURE-VII.

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE.

The company firmly believes and has consistently practiced good corporate governance. The company's policy is reflected by the values of transparency, professionalism and accountability. The company constantly strives towards betterment of these aspects and thereby generating long term economic value for its customers, employees, stakeholders and the society as a whole.

IREDA is committed to be a competitive, client-friendly and development-oriented organization for financing and promoting renewable energy and energy efficiency projects.

### 2. BOARD OF DIRECTORS

The Board of Directors of IREDA provides leadership and strategic guidance, objective judgment independent of management and exercise control over the Company while remaining at all times accountable to the Shareholders.

#### 2.1 Composition of the Board of Directors

The Board has a mix of executive and non-executive Directors. The composition of the Board as on the date of the Report is as follows:

#### Functional Directors

1. Shri Debashish Majumdar- Chairman and Managing Director (up to 28.02.2014)
2. Shri K.S. Popli- Chairman and Managing Director (w.e.f. 01.03.2014)
3. Shri K.S. Popli - Director (Technical) (up to 28.02.2014) also holding additional charge of Director (Technical) w.e.f. 15.03.2014.
4. Shri S.K. Bhargava- Director (Finance)

#### Part- Time Directors (Government Directors)

1. Dr. Praveen Saxena - Government Nominee Director
2. Shri R.P. Batra - Government Nominee Director

#### Part- Time Non Official Director (Independent Director)

1. Dr. M.Y. Khan

Company has requested Administrative Ministry i.e. Ministry of New and Renewable Energy vide letter dated 03.02.2011, 07.06.2013 and 26.05.2014 to appoint the requisite number of Part- time Non-Official Directors on the Board of IREDA. Same is under consideration of administrative Ministry i.e. (MNRE).

#### 2.2 Details of Board Meetings held during the Financial Year 2013-14

During the Financial Year 2013-14, 13 Board Meetings were held i.e. on 29.04.2013, 19.06.2013, 26.07.2013, 29.08.2013, 09.09.2013, 18.10.2013, 11.11.2013, 23.12.2013, 03.01.2014, 30.01.2014, 20.02.2014, 11.03.2014, 28.03.2014. Detailed agendas along with explanatory statement were circulated to the Board.

The Board has complete access to all the relevant information within the Company including those prescribed in the DPE Guidelines on Corporate Governance.



### 2.3 Attendance record of Directors at Board Meetings and Annual General Meeting and number of other Directorships/Committee Memberships/Chairmanships.

Attendance of each Director at the Board Meetings held during the year 2013-14 and at the last Annual General Meeting held on 26.09.2013 and number of other Directorships / Committee Memberships/ Chairmanships of each director is given below:

Name & Designation	Board Meetings		No. of other Directorship	Membership in the Committees of other Companies		Attendance at the last AGM
	Held during the year (as per tenure)	Attended (as per tenure)		As Member	As Member	
Shri Debashish Majumdar Chairman & Managing Director, IREDA (upto 28.02.14)	11	11	Nil.	Nil	Nil	Attended
Shri K.S. Popli As Director (Technical), IREDA (upto 28.02.14)	11	11	Nil	Nil	Nil	Attended
Shri K.S. Popli As Chairman & Managing Director, IREDA (w.e.f 01.03.14)	02	02	Nil	Nil	Nil	Attended
Shri S.K.Bhargava Director (Finance), IREDA	13	13	Nil	Nil	Nil	Attended
Dr. Praveen Saxena Government Nominee Director	13	12	Nil	Nil	Nil	Attended
Shri R.P.Batra Government Nominee Director	13	09	Nil	Nil	Nil	Attended
Dr. M.Y. Khan, Part time Part time Non-Official Director	13	12	6	Nil	03	Attended

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director.

### 2.4 Information available to the Board

The Board has complete access to all relevant information within the Company. The information regularly supplied to the Board specifically includes:

- Annual operating plans, budgets and any updates therein.
- Capital budgets and any updates therein.
- Quarterly MoU achievements results for the company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other Committees of the board.
- Information on recruitment/remuneration of senior officers just below the Board level.
- Material show cause, demand, prosecution notices and penalty notices, if any.
- Any material default in financial obligations to and by the company or substantial non-payment for services provided by the company.
- Details of any joint venture or collaboration agreement.
- Investments.
- Quarterly foreign exchange exposures and the steps

taken by management to limit the risks of adverse exchange rate movement, if material.

- Non-compliance of any regulatory, statutory nature.

## 2.5 Code of Conduct

The Board of Directors has laid down a code of conduct for the Board members and Senior Management Personnel in alignment with Company's mission and objectives and aims at enhancing ethical and transparent process in managing the affairs of the company. A copy of the Code of Conduct is available on the website of the company i.e. www.ireda.gov.in.

### Declaration as required under DPE Guidelines on Corporate Governance

All the Members of the Board and Senior Management Personnel have affirmed compliance of the Code of Conduct for the Financial year ended on March 31, 2014.

(K. S. Popli)

Chairman & Managing Director

## 3. AUDIT COMMITTEE

In compliance with the provisions of Section 292A of the Companies Act, 1956 (Section 177 of the Companies Act, 2013) [the 'Act'], and DPE Guidelines on Corporate Governance, IREDA had constituted a Committee of the Board known as "Audit Committee".

### 3.1 Terms of the reference of the Audit Committee

- To comply with the Guidelines on Corporate Governance for CPSEs 2010, as notified by the DPE;
- To comply with the requirements in accordance with Section 292A of the Companies Act, 1956.

### 3.2 Number of Audit Committee Meetings

During the year 2013-14, five Audit Committee Meetings were held on 29.04.2013, 26.07.2013, 11.11.2013, 23.12.2013, 28.03.2014. Detailed agendas along with explanatory statement were circulated in advance to the Committee members.

The composition of the Audit Committee, members' attendance at the Audit Committee meetings for the fiscal year 2013-14 are detailed below:-

Sl. No.	Name of the Director	Designation	No of Meeting held during the tenure	No of the meeting Attended
1.	Dr. M.Y. Khan	Part-time Non-official Director	5	5
2.	Dr. Praveen Saxena	Government Nominee Director	5	4
3.	Shri K.S. Popli	Director (Technical)	4	4
4.	Shri R. P. Batra (w.e.f. 28.03.2014)	Government Nominee Director	1	1

The Chairman of the Audit Committee was present at the AGM held on 26.09.2013.

Director (Finance), Internal Auditors and Statutory Auditors are standing invitees in the Audit Committee meetings. The minutes of the Audit Committee were placed before the Board for information.

Sl. No.	Name of the Director	Designation
1.	Dr. M.Y.Khan	Part Time Non-Official Director
2.	Dr. Praveen Saxena	Government Nominee Director
3.	Shri K.S. Popli	Director (Technical)-up to 28.02.2014
4.	Shri R.P. Batra	Government Nominee Director w.e.f. 28.03.2014 upto 30.06.2014

## 4. COMMITTEE OF DIRECTORS (COD)

In terms of provisions contained in IREDA's Articles of Association, the Board of Directors at its 180<sup>th</sup> Meeting held on 31<sup>st</sup> July, 2008 constituted the Committee of Directors (COD) keeping in view the delegation structure and the work requirement and at its 233<sup>rd</sup> meeting held on Friday, 15<sup>th</sup> March, 2013 the Board re-constituted the Committee of Directors.

### 4.1 Terms of Reference of Committee of Directors (COD)

- To consider & sanction of loans for projects as under :  
"Sanction of financial assistance as per the financing guidelines beyond ₹10 crore and up to ₹70 crore for



individual loan/project including additional / enhancement of loan, subject to overall ceiling of ₹1400 crore in a financial year.”

- (ii) Any other matter which the Board of Directors may prescribe for consideration of the COD.

#### 4.2 Number of Meetings

There were 7 meetings of the Committee of Directors (COD) held during the year 2013-14 i.e. on 19.06.2013, 26.07.2013, 09.09.2013, 23.12.2013, 30.01.2014, 11.03.2014, 28.03.2014. Detailed agenda along with explanatory notes were circulated in advance to the Committee. The composition of the Committee of Directors, Members' attendance at COD meetings during the year is as following:

Names of Members	Designation	No. of meeting Held during the year 2013-14	No. of meeting attended during the year 2013-14
Shri Debashish Majumdar (Held & attended during his tenure)	Chairman & Managing Director	5	5
Shri K.S.Popli (Held & attended during his tenure)	Director (Technical)	5	5
Shri K.S. Popli	Chairman & Managing Director	2	2
Shri S.K. Bhargava	Director (Finance)	7	7
Dr. Praveen Saxena	Part-time Director (Government Nominee)	7	7

The Chairman of the COD was present at the AGM held on 26.9.2013. The minutes of the Committee of Directors (COD) were placed before the Board for information.

#### 5. REMUNERATION COMMITTEE

The Department of Public Enterprises (DPE) vide Office Memorandum dated 26.11.2008, has notified the revision of pay scales for Board level and below Board level executives and Non-Unionized Supervisors w.e.f. 01.01.2007. DPE vide the aforesaid Office Memorandums has also directed that each CPSE shall constitute a Remuneration Committee comprising of part time directors or independent directors which will decide the annual bonus/variable pool and policy for its distribution across the executives and Non-Unionized Supervisors within the prescribed limits.

In accordance with the directions of DPE, the Board of IREDA had constituted a Remuneration Committee to decide the Performance Related Payment for employees of the Company. The Remuneration Committee was reconstituted from time to time. The composition of this Remuneration Committee for the financial year 2013-14 is as under:

Sl. No.	Name of the Director	Designation
1.	Dr. M.Y.Khan	Part Time Non-official Director
2.	Dr. Praveen Saxena (Ex-officio)	Part Time Director-Government Nominee
3.	Shri R.P.Batra (Ex-officio)	Part Time Director-Government Nominee

As required under the Corporate Governance Code, details of remuneration of Functional Director of the Company during the financial year 2013-14 are as under:

Sl. No.	Name	Salary & Other Perquisites	Allowances	Benefits linked Incentive /Ex-gratia
1.	*Shri Debashish Majumdar Ex-Chairman and Managing Director	79,88,693/-	80,348/-	8,62,712/-
2.	**Shri K.S. Popli Chairman and Managing Director	54,29,891/-	83,820/-	7,66,643/-
3.	Shri S.K. Bhargava Director (Finance)	26,51,011/-	68,960/-	6,84,613/-

\* Shri Debashish Majumdar superannuated on 28.02.2014.

\*\* Shri K.S. Popli took up charge of CMD w.e.f. 01.03.2014(A/N).

Remuneration includes the PRP for the F.Y. 2010-11 & 2011-12 along with pay revision

One part time Non Official Director was on the Board of IREDA during the financial year 2013-14. However, Part Time Non Official Directors are paid only sitting fees at the rate fixed by the Board within the ceiling prescribed under the Companies Act, 1956 and as per ceiling fixed vide Notification 2003, GSR No.580 (E) dated 24th July, 2003 issued by Ministry of Finance (Department of Company affairs) for attending the Board Meetings as well as Committee Meetings.

## 6. COMPLIANCE WITH APPLICABLE LAWS

To the best of the knowledge and belief, the Company is complying with all applicable laws. The Board reviews the Compliance Report in its Board Meeting.

## 7. GENERAL BODY MEETINGS

1. The details of Date, Time and Location of the last three Annual General Meetings held are as under:

Financial Year	Date	Time	Location
2010-11	28.09.2011	12.30 P.M	Suite No-292/3, The Ashok Hotel, Chanakayapuri, New Delhi-110021.
2011-12	27.09.2012	12.30 P.M	The Leela Palace, Diplomatic enclave, Chanakayapuri, New Delhi-110021.
2012-13	26.09.2013	12.30 P.M.	The Leela Palace, Diplomatic enclave, Chanakayapuri, New Delhi-110021.

2. Special resolution was passed by the Company in the Annual General meeting for F.Y. 2012-13 for increasing borrowing powers of Board pursuant to Section 180 (1) (c) of Companies Act, 2013.

3. Annual general meeting for the financial year 2013-14.

Date : 29<sup>th</sup> September, 2014  
Time : 12.30 P.M.  
Venue : The Taj Mahal Hotel, 1, Mansingh Road, New Delhi

## 8. DISCLOSURES

- A disclosure on transactions entered into with the related parties as required by the Accounting Standards (AS) 18 issued by the Institute of Chartered Accountants of India is given at Note No.26 to the accounts in the Annual Report.



Stakeholders roundtable meet as on 11th March, 2014



- There were no transactions by the company of material nature with Promoters, Directors or the Management, their Subsidiaries or relatives etc. that may have potential conflict with the interests of company at large. The Non-Executive Director had no pecuniary relationships or transactions vis-à-vis the company during the year in their tenure except receipt of sitting fee for attending the meetings of the Board/ Board Sub-Committee. None of the Non-Executive Director held any share/convertible instrument of the company.
- There were no instances of non-compliance by the Company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- Whistle Blower policy is not a mandatory requirement. Company is yet to frame a policy in this regard. The Company affirms that no personnel have been denied access to the Audit Committee.
- The Company has adopted all suggested items to be included in the Report on Corporate Governance.
- There is no inter-se relationship between Directors of the Company, as per declarations received.
- Items of expenditure debited in books of accounts, which are not for the purpose of the business: Nil
- Expenses incurred which are personal in nature and incurred for the Board of Director and Top Management: Nil
- Administrative and office expenses as a percentage of total expenses for the year 2013-14 is 2.14% (Previous year 2.30% ) and as a percentage of financial expenses for the year 2013-14 is 2.61% (Previous year 2.87%).

#### 9. MEANS OF COMMUNICATION

The Company communicates through its Annual Report, General Meetings and disclosures through website. All

important information pertaining to the Company is also mentioned in the Annual Report for each financial year containing inter alia Audited Accounts, Director Report, Auditors Report, Report on Corporate Governance and Non-Banking Financial Companies Auditors' Report which is circulated to the members and others entitled thereto.

Half yearly results have been published in prominent daily newspapers as per requirements on the following dates:

<b>Half year ending</b>	30.09.2013	31.03.2014
<b>Date of publication</b>	14.11.2013 (Hindi) 13.11.2013 (English)	08.05.2014 (English & Hindi)
<b>Name of the Business Newspapers</b>	Times of India (All Editions)  Navbharat Times (Delhi & Mumbai Editions)	Hindustan Times (All Editions)  Hindustan (Delhi Edition)

The half yearly/Annual results are also made available at the website of the Company ([www.ireda.gov.in](http://www.ireda.gov.in)). The company displays official news releases also on its website.

The Management Discussion & Analysis Report forms part of the Annual Report.

#### 10 AUDIT QUALIFICATION: Nil

**11 TRAINING TO BOARD MEMBERS:** It is need based.

**12 Whistle Blower Policy:** The Company has not adopted any separate "Whistle Blower" policy. However, the company has not denied access to any personnel to approach the management on any issues.



ANNEXURE-VII

*B Mathur & Co.*

Company Secretaries



**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

CIN Number : U40108DL1987GOI 027265  
Nominal Capital : Rs. 10,00,00,00,000/- (Rupees One Thousand Crores Only)

To  
The Members  
Indian Renewable Energy Development Agency Limited

We have examined all relevant records of Indian Renewable Energy Development Agency Limited ("**the Company**") for the purpose of certifying compliance of the conditions of Corporate Governance Guidelines ("Guidelines") issued by the Department of Public Enterprises (**DPE**) for **CPSEs**, Ministry of Heavy Industries and Public Enterprises, Government of India for the financial year ended on 31<sup>st</sup> March 2014.

The compliance of the conditions of Corporate Governance in accordance with the Guidelines issued by the Department of Public Enterprises (**DPE**) for **CPSEs** is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the DPE Guidelines. However, the Company has requested Ministry of New and Renewable Energy (MNRE) several times for the appointment of Independent Directors on the Board of the Company but the same was under consideration of MNRE.

For **B. Mathur & Co.**  
Company Secretaries

Date: September 1, 2014  
Place: New Delhi

**Brijeshwar Dayal Mathur**  
Company Secretary  
C.P. No. 5334

**ANNEXURE-VIII**
**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 31<sup>ST</sup> MARCH 2014**

(As conveyed vide letter No. 272/PDCA/MAB-IV/HS/IREDA/A/cs/13-14/495 dated 25<sup>th</sup> September, 2014 by the office of the Principal Director of Commercial Audit & Ex-Officio Member, Audit Board-IV, New Delhi)

The preparation of financial statements of **Indian Renewable Energy Development Agency Limited** for the year ended 31<sup>st</sup> March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on the independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **14.08.2014**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of **Indian Renewable Energy Development Agency Limited** for the year ended 31<sup>st</sup> March, 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under section 619 (4) of the Companies Act, 1956 which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statement and the related Audit Report.

Comments	Management's Reply
<p><b>A. STATEMENT OF PROFIT AND LOSS</b></p> <p><b>Revenue from operations - ₹993.86 Crore (Note No 19)</b></p> <p>Above includes ₹103.10 Crore due to write back of 'Provision for Bad &amp; Doubtful Debts' whereas Bad and Doubtful Debts of ₹98.80 Crore were written off by charging to the Statement of Profit and Loss instead of adjusting against the existing provision. Further, excess provision of ₹4.30 Crore was also created for Bad and Doubtful Debts during the year 2013-14. The Stated accounting treatment resulted in overstatement of 'Revenue from operations' and 'Expenditure for the current year by ₹103.10 crore each.</p>	<p>The amount of ₹103.10 crore represents writing back of the provision for bad and doubtful debts created in earlier years which has been separately shown under the head 'Revenue from Operations'. Further, during the year, bad debts written off amounting to ₹98.80 crore including incidental charges had been shown on the expenditure side. The said write off of bad and doubtful debts was a 'Technical Write off' leaving a balance of ₹10,000/- in each account. All efforts for recovery on the technically written off account by way of proceedings before Debt Recovery Tribunal/SARFAESI Act 2002/criminal proceedings u/S 138 of the Negotiable Instrument Act, 1881 etc. shall continue and upon recovery from these accounts in future, the amount shall be accounted for as income in that year.</p> <p>The said treatment has been given for better presentation and clarity with respect to the allowance of expenditure u/S 36(1)(vii)(c) of the Income Tax Act, 1961. The provision written back has also been separately indicated under income for clarity purpose since in the earlier years when the provision for bad and doubtful debts were created the same were added back to the profit for the purpose of payment of income tax.</p> <p>As regards provision for bad and doubtful debts created during the year</p>



	<p>2013-14 a provision for bad and doubtful debts amounting to ₹19.13 crore has been created which represents the provision against addition of new NPAs as well as provision required due to upgradation of few NPA accounts in the doubtful category as per the applicable prudential norms. As such, no excess provision of ₹4.30 crore has been created and the said amount represents the recovery from some of the NPA parties which has been shown separately as 'Provision written back'. This treatment was necessary since the parties for which provision was created during the year/recoveries effected were different.</p>
<p><b>B. Others</b></p> <p>The company received grant of ₹100 Crore from the Government of India during 2013-14 for Rooftop PV and Small Solar Power Generation Programme (RPSSGP). This grant was disbursed to various eligible parties for the purpose of Generation Based Incentive during the year 2013-14 without routing the transactions through the books of accounts. The Company also invoked bank guarantee amounting to ₹27.02 Crore submitted by the beneficiaries and deposited the sum in separate bank account which was also kept out of books of accounts in violation of provisions of Accounting Standards-12.</p>	<p>As per Accounting Standard 12 (AS-12), the Government grants <b>are assistance by the Government in the form of cash or kind to an Enterprise</b> in return for past or future compliance with certain conditions. The amount of ₹100 crore was received by IREDA from MNRE under the Rooftop PV and Small Solar Power Generation Programme (RPSSGP) as an Administrator of the programme and not as a Grant within the definition of AS-12.</p> <p>The said amount is disbursed by IREDA on behalf of Government of India (MNRE) towards Generation Based Incentive to the state utilities with whom the project proponents who have set up the solar projects have signed Power Purchase Agreements.</p> <p><b>For the said service of programme Administrator, IREDA receives service charges which is accounted for as Income.</b> The programme is operated by IREDA by way of keeping a separate bank account for receipt of funds and payments to the state utilities towards the implementation of the scheme. Further, IREDA is also required to provide the utilization of the funds status to the MNRE. Similarly, the funds available with IREDA by way of invocation of Bank Guarantee amounting to ₹27.02 crore was kept in a separate bank account and utilized for the payment of Generation Based Incentive as per the instructions of Government of India (MNRE).</p> <p>In view of the above, there was no violation of Accounting Standard -12.</p>

For and on behalf of the Comptroller and Auditor General of India

(Suparna Deb)  
Principal Director of Commercial Audit &  
Ex-Officio Member, Audit Board-IV  
New Delhi

For and on behalf of the Board of Directors

(K S Popli)  
Chairman & Managing Director

Place : New Delhi  
Date : 25.09.2014

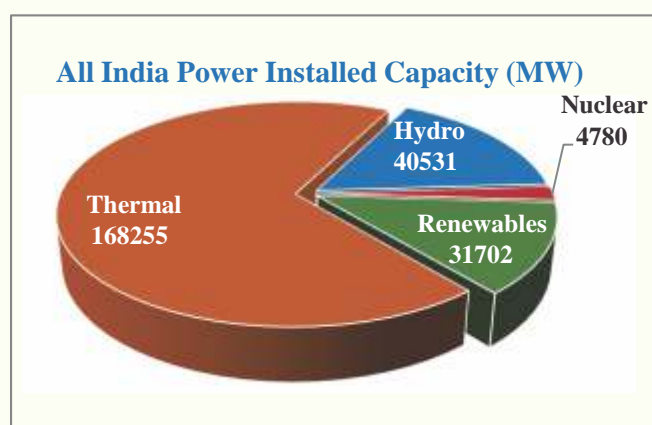
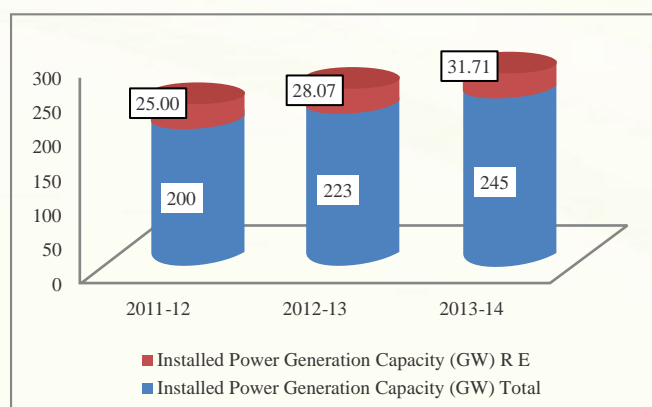
## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of the Company (IREDA) is pleased to present its Report on Power industry structure and development economic outlook, Industry Scenario including Company's performance during the Financial Year 2013-14.

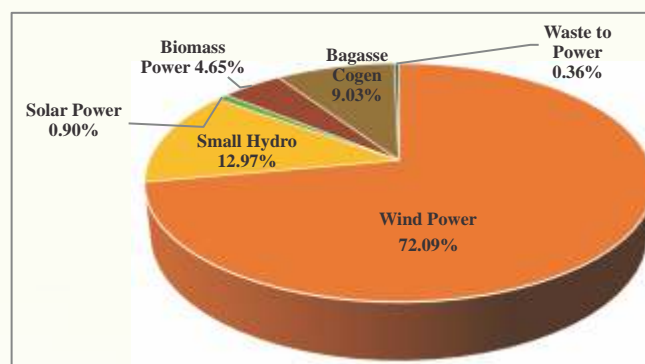
### 1. INDUSTRY STRUCTURE AND DEVELOPMENT

Power is one of the most important components of infrastructure, critical to sustain economic growth. As at the end of March 2014, bank credit to the power sector was ₹4,88,300 crore which was 58.14% of the gross bank credit to infrastructure (₹8,39,800 crore).

The gross installed power generation capacity of the country as on March 31, 2014, stood at 245 GW.



This included installed Renewable Energy capacity of 31,707 MW, constituting 13% of the total installed capacity. This comprises 21,136 MW of wind power, 3,804 MW of small hydro power, 2,647 MW solar power, 1,365 MW of biomass, 2648 MW of Bagasse Cogeneration and 107 MW of waste to power.



The Ministry of Power, Government of India has targeted capacity addition of 76,000 MW of electricity capacity in the 12<sup>th</sup> Five Year Plan (2012-17). During the FY 2013-14, 22,000 MW of capacity has been added, which includes 3,640 MW of Renewable Energy capacity.

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable new & renewable sources such as wind, solar, and agriculture and domestic waste.

While the global economic activity is expected to strengthen in 2014-15 on the back of some recovery in advanced and emerging economies, and a strong political will to regain growth momentum.

### 2. OUTLOOK

India is the fourth largest primary energy consumer, after China, USA and Russia. It accounts for more than 4.5% of the total global annual energy consumption. In India 818 million people or around two-thirds of the population, rely on traditional biomass-almost twice as many as in China, which is ranked second in world. As per India Energy Congress (IEC)-2013 on Securing Tomorrow's Energy Today-Policy & Regulations, if India grows at the rate of 8% or more, higher than average demand for energy will persist.

As per the International Energy Agency (IEA) – Energy Outlook, India will become the second-largest coal consumer-surpassing the United States and the largest coal importer by 2025. Oil demand in India will reach more than 8mb/d (million barrels/day) by 2035. After 2025, the focus of energy demand is likely to shift within developing Asia towards India.



Due to above increasing reliance on import and increase in energy demand for rapid growth envisaged, Renewable Energy has the potential to address the growing concerns about increasing use of fossil fuels, dependence on import and its implication on climate change. The Renewable Energy sector in India caters to both, Grid-connected and the Off-grid requirements. While the former provides the alternative to reliance on fossil fuels, the later has the potential to provide energy access to rural, far flung, unserved and under-served areas.

The sector has huge potential considering total potential of 235 GW for RE and growing demand.

### 3. FINANCIAL PERFORMANCE

During the year, there was all round improvement in financial performance & profitability of the Company.

**Gross Income** – During the year the gross Income increased by 36.86% from ₹729.56 crore in 2012-13 to ₹998.50 crore in 2013-14 mainly due to increase in lending operation resulting in increase in interest income.

**Profit After Tax** - During the financial year 2013-14, your Company earned a record Profit After Tax of ₹240.51 crore registering an increase of 18.69% from ₹202.65 crore during 2012-13 mainly due to increase in interest income from lending operation.

**Net worth** - The net worth of the company at the end of the financial year 2013-14 increased to ₹2032.86 crore from ₹1688.35 Crore in the previous year registering an increase of 20.41%.

**Sanctions** - During the year, your Company sanctioned a loan of ₹3818.40 Crore (inclusive of ₹138.28 crore as performance guarantee issued by IREDA) against ₹3747.36 sanctioned during 2012-13 registering an increase of 1.90% over the previous year.

**Disbursement** – Disbursement increased by 16.26% from ₹2125.50 crore in 2012-13 to ₹2471.08 crore in 2013-14.

### 4. STRENGTHS, WEAKNESSES & OPPORTUNITIES

**Strengths:** The funding requirement of the sector is poised to increase significantly, consistent with the policy initiatives of the Government of India, MNRE's outlook for the growth of the sector, the increasingly larger capital outlay required for Renewable Energy projects and IREDA's pioneering and

catalyzing efforts in financing renewable energy projects. Having been promoted by the MNRE as a financial institution dedicated to financing of Renewable Energy and Energy Efficiency projects, IREDA has been a pioneer in this area since 1987 and has acquired unique insight into financing of the sector. IREDA has also been a catalyst in encouraging other financial institutions to finance the Renewable Energy sector. IREDA provides a comprehensive range of financial products from project conceptualization to the post commissioning stage for its clients in the Renewable Energy sector. IREDA provides various fund and non-fund based facilities, including project finance, short terms loans, debt refinancing, performance guarantee and letters of comfort. IREDA has also been actively participating in implementing several schemes of the MNRE. IREDA has continued to be a profit making entity and is confident of contributing to the sustained growth of sector.

**Weaknesses:** With more Renewable Energy projects coming up with increasingly large capital outlay and requiring significantly higher levels of investment, IREDA finds itself constrained by the size of its own capital and net worth, in meeting the funding requirements of these projects within the framework of prudent financial discipline. In order to continue to make a significant contribution to financing these RE sector projects, it is imperative that IREDA's own net worth be increased commensurate with the financial needs of the sector.

**Opportunities:** The demand for power would continue to increase, notwithstanding the present, temporary slowdown in the GDP growth rate. The Renewable Energy sector, which is not dependent on fossil fuels, represents a natural opportunity in a sector suffering a setback on account of fuel supply constraints. The Renewable Energy sector would remain vibrant and attract significant investment in the foreseeable future, given a strong policy framework of the Government.

### 5. THREATS, RISKS AND CONCERNS

The company's operations are confined to a single sector, viz. Renewable Energy only, increasing its sectoral concentration risk. An increasingly competitive scenario consequent on the entry of numerous new entities financing Renewable Energy, brings with it opportunities to work in co-financing mode and also challenge to provide competitive terms.

Also, the future and sustained viability of the RE sector will require continued favorable policies from the Government.

Issues relating to land availability, grid infrastructure constraints, open access, tariffs, prolonged project commissioning periods on account of permitting and approval delays due to lack of single window for clearances, large capital outlay, abrupt policy changes and macro-economic conditions can adversely affect project viability during the implementation and operational stages, with negative impact on debt servicing capability of the borrowers.

## 6. RISK MANAGEMENT FRAMEWORK

Your company is keenly conscious of the importance of effective and efficient risk management. To this end, it has been striving to upgrade its risk management infrastructure on a continuous basis. During the year, your Company has adopted a Comprehensive Risk Management Policy in terms of which it has taken a series of measures to manage its credit risk, market risk and operational risk to protect an add value to the organization & its stakeholders with the following objectives:

- To mitigate the credit risk by constituting a Credit Committee of the Company
- To ensure that all the current & expected risk exposures of the Company are identified, qualitatively and quantitatively evaluated, analyzed and appropriately managed.
- To mitigate the market risk & operation risk of the Company
- To help the decision makers of the company, explicitly take account of uncertainty and accordingly work towards a solution to address/manage it.
- To ensure compliance with the legal & regulatory requirements.

Your company has also constituted a risk management committee to address the various risks besides a separate Forex Management Committee to deal with the Foreign Exchange Risk & hedging.

## 7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control system is supported by the internal audit process for reviewing the adequacy and efficiency of the company's internal control. The audit function also proactively recommends improvement in operational process

and service quality to mitigate various risks. The internal audit reports are discussed with the management and are reviewed by Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the company.

## 8. HUMAN RESOURCES/ INDUSTRIAL RELATIONS

In order to achieve the objectives efficiently and in a time bound manner, the Company is giving significant thrust on strengthening and developing its human resource. Company's training and development policies are aligned with strategic objectives to enable the organization to implement strategic plans. The Company has been laying strong emphasis on attracting and acquiring best talent and also on efficient deployment of manpower on right jobs as per business requirements of the Company.

The Management is committed to create and nurture a work environment that attracts and inspires excellence and bring out the best and at the same time provides an opportunity to our employees to contribute, grow and excel. The Management is adopting an "open door" policy, where an individual can share his views with top management. A series of "open house" sessions are conducted by CMD & senior officers with the employees.

## 9. ENVIRONMENT PROTECTION AND CONSERVATION

IREDA's primary mandate is to promote energy generation from renewable sources, in alignment of the country's and global concerns regarding climate change, environment conservation, substitution of fossil fuels, energy efficiency and sustainable development through environment friendly technologies. As a financial institution dedicated to the Renewable Energy sector, its entire financing promotes ecofriendly technologies which contribute to environment protection.

## 10. CORPORATE SOCIAL RESPONSIBILITY

Your Company has formulated the Policy on Corporate Social Responsibility based on revised DPE guidelines on CSR & Sustainability for Central Public Sector Enterprises issued during the year, to ensure that the Company becomes a socially responsible corporate entity.

In order to have intensive approach, your Company has created a separate CSR unit to undertake the CSR programs of



the Company. Further, to oversee the activities of CSR, a CSR Committee of Directors has also been constituted.

Your company contributed during the financial year under report, ₹4.053 crore towards Chief Minister's Relief Fund, Uttarakhand for relief and rehabilitation activities for the people in the flood affected areas of Uttarakhand, as utilization from "CSR Fund".

## **11. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

All the operations of Company are considered as single business segment therefore company does not have any separate reportable segment.

## **12. CAUTIONARY STATEMENT**

The report contains forward looking statements describing expectations, estimates, plans or words with similar meaning, which involves risks & uncertainties.



## AUDITORS' REPORT

To  
**The Members of  
Indian Renewable Energy Development Agency  
Limited.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Indian Renewable Energy Development Agency Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinion**

1. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
  - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
  - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matter**

2. We draw attention to : Note-4 relating to Long



Term Borrowings- non-disclosure of applicable rate of interest on borrowings in foreign currency as required by guidance note on the Revised Schedule VI to the Companies Act, 1956 issued by ICAI.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of subsection (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection(3C) of section 211 of the Companies Act, 1956;
  - e) The provision of Section 274(1) (g) of the Companies Act, 1956 are not applicable to the Company in view of the Notification no. GSR 829 (e) dated 21/10/2003 issued by Government of India.

**For Gianender & Associates**  
**Chartered Accountants**  
Firm Reg. No. 004661N

Place: New Delhi  
Date: 14.08.2014

**Ramesh Koul**  
Partner  
M. No. 077804

## ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Indian Renewable Energy Development Agency Limited, on the financial statements for the year ended on 31<sup>st</sup> March 2014.)

(i)

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, during the year no substantial disposal of fixed assets of the company has taken place which would have affected its going concern status.

(ii) Provisions of Paragraph 4(ii) (a) to 4(ii) (c) of the Order are not applicable to the Company.

(iii)

- (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted any loans, secured or unsecured, to any companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of Paragraph 4 (iii) (b), (iii) (c) and (iii) (d) of the said Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from any companies, firms or parties covered in the register maintained under

Section 301 of the Companies Act, 1956. As the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of Paragraph 4 (iii) (f) and (iii) (g) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of fixed assets and for rendering of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system. Further, the provisions of Paragraph 4(iv) with respect to sale of goods and purchase of inventory are not applicable to the company.

(v)

(a) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no particulars of contracts or arrangement during the year which are required to be entered in the register maintained pursuant to Section 301 of the Companies Act, 1956.

(b) Paragraph 4 (v)(b) of the said Order is not applicable, as there are no such transactions during the year.

(vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and relevant rules framed there under are not applicable to the Company.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

(viii) According to the information and explanations given to



us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.

- (ix) (a) The company is generally regular in depositing all undisputed statutory dues including Provident Fund, Income Tax, Service tax and other statutory dues with appropriate authorities. We are informed that the provisions of Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Customs Duty, Excise Duty and Cess are not applicable to the company.

- (xiii) The Company is not a chit fund Company or nidhi /mutual benefit fund/society. Therefore, the provisions of Paragraph 4 (xiii), First part and Second part; sub clauses (a) to (d) of the said Order are not applicable to the Company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of paragraph 4(xiv) of the said Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

Name of statute	Nature of Dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
The Income-Tax Act, 1961	Additional Demand on account of disallowances by the Ld. Assessing Officer	5,17,00,000	Assessment Year 2004-05	Income Tax Appellate Tribunal

As per records produced before us, there are no undisputed dues which were outstanding as on 31st March, 2014 for a period over six months from the date of same become payable.

- (b) According to information and explanation given to us, and as per our examination of the records of the Company, following are the particulars of dues on account of income tax matters that have not been deposited on account of dispute as on 31<sup>st</sup> March, 2014.

According to the information and explanations given to us, there are no disputed statutory dues pending in respect of sales tax, service tax, custom duty, wealth tax, excise duty and cess.

- (x) The company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (xii) In our opinion, adequate documents and records are maintained in cases where the Company has granted loans and advances on the basis of security by way of pledge and other securities.

- (xvi) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that the term loans raised have been utilized for the purpose for which the loans were obtained.
- (xvii) Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments by the Company.
- (xviii) Based on the audit procedures performed and the information and explanations given to us by the management, the Company has not made any preferential allotment of shares during the year to parties and Companies covered in register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the Company has issued a) taxable bonds in the nature of debentures aggregating to Rs. 500,00,00,000/- which are secured by negative lien on book debts of the Company, in favour of Trustees of bonds and
- b) tax free bonds in the nature of secured, redeemable, non-convertible debentures aggregating to Rs. 757,65,46,000/- which are secured by paripassu charge on book debts of the Company in favour of Trustees of bonds.

(xx) According to the information and explanations given to us, the Company has issued

- a) Taxable bonds of Rs. 500,00,00,000/- on private placement basis and
- b) Tax free bonds of Rs. 721,65,46,000/- by way of public issue and Rs. 36,00,00,000/- on private placement basis aggregating to Rs. 757,65,46,000/-

The proceeds of the said bonds issued during the year aggregating to Rs. 1257,65,46,000/- have been utilized for the objects of the issue and the same has been verified by us.

(xxi) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

**For Gianender & Associates**  
**Chartered Accountants**  
Firm Reg. No. 004661N

Place: New Delhi  
Date: 14.08.2014

**Ramesh Koul**  
Partner  
M. No. 077804





**GIANENDER & ASSOCIATES**  
Chartered accountants  
Plot No. 6, Site No. 21,  
Geeta Mandir Marg  
New Rajinder Nagar, Delhi-110060

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E-mail: gka\_ma@yahoo.com

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

**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 on 31<sup>st</sup> March, 2014 and report that:

1. 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 23<sup>rd</sup> January, 2008;
2. The Board of Directors have resolved on 6<sup>th</sup> May, 2014 that the Company will not accept public deposit during the financial year 2014-15 without prior approval of the Reserve Bank of India;
3. The company has not accepted any public deposits during the year ended on 31<sup>st</sup> March, 2014;
4. The company has complied with the prudential norms relating to income recognition, asset classifications and provisioning for the bad and doubtful debts as approved by the Board of Directors of IREDA in terms of Article of Association. The Company has also complied with the Accounting Standards as per the Companies (Accounting Standards) Rules, 2006.

**For Gianender & Associates.**  
Chartered Accountants  
Firm Reg. No. 004661N

Place: New Delhi  
Dated: 24.09.2014

Ramesh Koul  
Partner  
M. No. 077804

## INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED

### Balance Sheet as at 31.03.2014

Particulars	Note No.	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' Funds</b>			
(a) Share Capital	2	7,446,000,000	6,996,000,000
(b) Reserves and Surplus	3	12,882,615,004	9,887,516,807
(2) <b>Share Application Money pending allotment</b>		-	-
(3) <b>Non-current liabilities</b>			
(a) Long-term borrowing	4	63,310,760,307	49,166,319,039
(b) Other long-term liabilities	5	-	372,243
(c) Long-term provisions	6	462,690,790	292,082,159
(4) <b>Current liabilities</b>			
(a) Short-term borrowing	7	1,153,692,926	-
(b) Trade payables	8	167,793,115	125,584,564
(c) Other current liabilities	9	4,809,385,749	2,923,919,654
(d) Short-term provisions	10	3,373,405,401	2,539,318,831
<b>TOTAL</b>		<b>93,606,343,292</b>	<b>71,931,113,297</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) <b>Fixed Assets</b>	11		
(i) Tangible assets		364,101,538	393,274,127
(ii) Intangible assets		7,082,125	8,274,705
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		558,710	1,478,165
		<b>371,742,373</b>	<b>403,026,997</b>
(b) Non-current investments	12	1,200,000	1,200,000
(c) Deferred tax assets (Net)	28	544,905,946	776,637,372
(d) Long-term loans and advances	13	74,912,358,425	56,538,299,764
(e) Other non-current assets	14	1,080,323,622	1,193,895,862
(2) <b>Current assets</b>			
(a) Trade Receivable	15	1,686,923	553,120
(b) Cash and bank balances	16	5,068,672,622	1,148,280,182
(c) Short-term loans and advances	17	11,488,423,033	11,766,011,403
(d) Other current assets	18	137,030,348	103,208,597
<b>TOTAL</b>		<b>93,606,343,292</b>	<b>71,931,113,297</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 47		
<p>As per our Report of even date  <b>For Gianender &amp; Associates</b>  Chartered Accountants  ICAI Regn. No. 004661N</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p style="text-align: center;"><b>Ramesh Koul</b> Partner Membership No. 077804</p> <p>Place : New Delhi Date : 14.08.2014</p> </div> <div style="width: 30%;"> <p style="text-align: center;"><b>S K Bhargava</b> Director (Finance)</p> </div> <div style="width: 30%;"> <p style="text-align: center;"><b>K S Popli</b> Chairman and Managing Director</p> </div> </div> <p style="text-align: right; margin-top: 10px;"><b>Surender Suyal</b> Company Secretary</p>			



**INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED**  
**Statement of Profit and Loss for the year ended on 31.03.2014**

Particulars	Note No.	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
I. Revenue from operations	<b>19</b>	<b>9,938,633,767</b>	7,190,731,171
II. Other Income	<b>20</b>	<b>46,411,649</b>	104,879,217
III. Total Revenue (I+II)		<b>9,985,045,416</b>	7,295,610,388
<b>IV. Expenses:</b>			
Employee Benefit Expenses	<b>21</b>	<b>211,779,994</b>	182,829,714
Finance Cost	<b>22</b>	<b>4,879,601,310</b>	3,805,989,015
Depreciation and Amortisation Expenses		<b>33,115,583</b>	38,532,938
Other Expenses	<b>23</b>	<b>118,977,358</b>	109,250,385
Bad Debts Written Off		<b>988,016,676</b>	107,982,517
Provision for Bad and Doubtful Debts		<b>191,308,584</b>	469,821,571
General Provision for Standard Assets		<b>154,665,459</b>	42,547,350
		<b>6,577,464,964</b>	4,756,953,490
<b>V. Profit before Exceptional &amp; extraordinary items and tax (III-IV)</b>		<b>3,407,580,452</b>	2,538,656,898
<b>VI. Add+/Less(-) Prior Period Adjustments (Net)</b>		<b>(4,514,199)</b>	(32,896,081)
<b>VII. Add+/Less(-) Exceptional items</b>		<b>-</b>	-
<b>VIII. Profit before tax (V-VI)</b>		<b>3,403,066,253</b>	2,505,760,817
IX. Tax Expenses			
(1) Current Tax		<b>766,200,000</b>	830,000,000
(2) Income Tax- Earlier Years		<b>-</b>	(157,504,358)
(3) Deferred Tax		<b>231,731,426</b>	(193,185,371)
<b>X. Profit for the period (VII-VIII)</b>		<b>2,405,134,827</b>	2,026,450,546
<b>XI. Earning per Equity Share:</b>	<b>27</b>		
(1) Basic		<b>327.29</b>	300.90
(2) Diluted		<b>-</b>	-
Significant Accounting Policies	<b>1</b>		
Notes on Financial Statements	<b>2 to 47</b>		
As per our Report of even date			
<b>For Gianender &amp; Associates</b> Chartered Accountants ICAI Regn. No. 004661N			
<b>Ramesh Koul</b> Partner Membership No. 077804	<b>S K Bhargava</b> Director (Finance)	<b>K S Popli</b> Chairman and Managing Director	
Place : New Delhi Date : 14.08.2014		<b>Surender Suyal</b> Company Secretary	



## NOTE '1'

### SIGNIFICANT ACCOUNTING POLICIES

#### (1) General

The financial statements are prepared on accrual basis of accounting under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India, the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

#### (2) Revenue and Expense Recognition

- (i) Income and expenses are accounted for on accrual basis with the exception of income on Non Performing Assets where interest and/or principal has remained overdue for a period of more than two quarters on the Balance Sheet date. The said interest income is recognized as and when actually realized.
- (ii) Loan/Bond issue expenses such as Front-end fee/Arranger's fee, Stamp duty, etc., are charged to Statement of Profit and Loss in the year of issue of such loan/bond.
- (ii) Prepaid expenses and prior period expenses/income upto Rs. 20,000/- per item are charged as and when incurred/adjusted/received.

#### (3) Foreign Currency Transactions

- i. Transactions in foreign currency except the foreign currency loans where Currency and Interest Rate Swap (CIRS) transactions have been made with banks, are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities are re-stated at the exchange rate prevailing at the year end. The difference between the year end rate and the exchange rate at the date of transaction is recognized as income or expense in the Statement of Profit and Loss and accounted as per Accounting Standard (AS)-11 on "The Effects of Changes in Foreign Exchange Rates (revised 2003)" issued by the Institute of Chartered Accountants of India (ICAI).
- ii. The transactions in foreign currency loans, where CIRS transactions take place, are recorded at the contracted exchange rate on deal date till the period of CIRS deals. The difference between the exchange rate at the date of transactions and CIRS rate is recognized as income or expense in the Statement of Profit and Loss.

#### (4) Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation.

#### (5) Intangible Assets

Intangible assets are recognized when it is probable that future economic benefit attributable to the assets will flow to the company and the cost of the assets can be measured reliably. Such assets are stated at cost less accumulated amortization.

#### (6) Depreciation/Amortization

- (i) Depreciation on fixed assets (including leasehold properties) other than on library books is provided on written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on Library books is provided @ 100% in the year of purchase.
- (iii) Intangible assets are amortized over their estimated useful life. The estimated useful life does not exceed 10 years.



## **(7) Insurance Claims**

Insurance claims are accounted for as and when admitted by the insurance company.

## **(8) Investments**

Long term investments are carried at cost. Provision for diminution in the value of such investments is made to recognize the decline other than temporary, in the value of the investments.

## **(9) Income Recognition, Asset Classification and Provisioning with respect to Loan**

IREDA is Non-Banking Financial Company registered with Reserve Bank of India and follows the guidelines in case of income recognition, asset classification and provisioning as approved by Board of Directors of IREDA in terms of Articles of Association and complies with the disclosure requirements prescribed by RBI for NBFCs, as amended from time to time.

## **(10) Loans**

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

## **(11) Grants**

- (i) Grants for acquisition of eligible fixed assets are accounted for as capital grants. Such grants are allocated to income over the periods and in the proportions in which the depreciation on those assets is charged.
- (ii) Grant-in-aid for financing projects in specified sectors of New and Renewable Sources of Energy (NRSE) is treated and accounted for as Capital Reserve/Grant.
- (iii) The expenditure incurred under Technical Assistance Programme (TAP) is accounted for as recoverable and shown under the head 'Current Assets'. The assistance reimbursed from Multilateral/Bilateral Agencies is credited to the said account.

## **(12) Employee Benefits**

### **(A) Short Term Employee Benefits**

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the Statement of Profit and Loss of the year in which the related service is rendered.

### **(B) Post Employment Benefits**

- (i) Defined Contribution Plans
  - (a) Contribution to provident fund is made in accordance with the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is recognized as an expense and charged to the Statement of Profit and Loss.
  - (b) Contribution to benevolent fund is made in accordance with IREDA Employees Benevolent Fund Scheme and is recognized as an expense and charged to Statement of Profit and Loss.
  - (c) Contribution to Superannuation Fund made in accordance with Employees Defined Contribution Superannuation Scheme is recognized as an expense and charged to Statement of Profit and Loss.

(ii) Defined Benefit Plans

(a) Gratuity

The employees Gratuity Fund Scheme is funded by IREDA and managed by LIC through a separate trust. The present value of IREDA's obligations under Gratuity is recognized on the basis of an actuarial valuation as at the year end and the fair value of the Plan assets is reduced from the gross obligations to recognize the obligation on a net basis.

(b) Other Long Term Benefits

Other Long Term Benefits such as Leave Encashment, Sick Leave, Post-Retirement Medical Benefit and Baggage Allowance are recognized on the basis of an actuarial valuation made as at the end of the year

**(13) Impairment of Assets**

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount, the same is provided in the books of account.

**(14) Provisions and Contingent Liabilities**

- (i) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if:-
- (a) the Company has a present obligation as a result of a past event;
  - (b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
  - (c) the amount of the obligation can be reliably estimated
- (ii) Contingent liability is disclosed in the case of:-
- (a) a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
  - (b) a possible obligation, unless the probability of outflow in settlement is remote;
- (iii) Reimbursement expected in respect of expenditure required to settle any liability is recognized only when it is virtually certain that the reimbursement will be received.



## Notes on Financial Statements for the year ended 31st March, 2014

### NOTE- '2' SHARE CAPITAL

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Authorised</b> 10,000,000 (Previous year 10,000,000) Equity Shares of Rs. 1,000 each	<b>10,000,000,000</b>	10,000,000,000
<b>Issued, Subscribed &amp; Fully Paid up</b>  7,446,000 (Previous Year 6,996,000) Equity Shares of Rs. 1,000 each fully paid up	<b>7,446,000,000</b>	6,996,000,000
<b>Total</b>	<b>7,446,000,000</b>	6,996,000,000

### RECONCILIATION OF EQUITY SHARES

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
	2013-14		2012-13	
<b>Shares outstanding as on 1st April</b>	<b>6,996,000</b>	<b>6,996,000,000</b>	6,396,000	<b>6,396,000,000</b>
Shares issued during the year	<b>450,000</b>	<b>450,000,000</b>	600,000	<b>600,000,000</b>
shares bought back during the year	-	-	-	-
<b>Shares outstanding as on 31st March</b>	<b>7,446,000</b>	<b>7,446,000,000</b>	6,996,000	<b>6,996,000,000</b>

#### Foot Notes:

- (i) 100% Equity Shares are held by Government of India.
- (ii) Equity Shareholders have full voting rights with no restrictions.
- (iii) All the Equity Shares are fully paid up in cash.

### NOTE- '3' RESERVES & SURPLUS

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>a. Capital Reserves</b>		
<b>i. Capital Grant from world bank for purchase of Fixed Assets</b>		
Opening Balance	1,937,307	3,023,237
(-) Transferred to Miscellaneous Income	590,130	1,085,930
Closing Balance	1,347,177	1,937,307
<b>ii. Grant-in-aid from Government of Netherlands</b>	167,858,986	167,858,986
<b>iii. Grant-in-aid from World Bank</b>	839,484,095	839,484,095
<b>iv. Other Capital Grant</b>	60,144,000	60,144,000
<b>v. IREDA-National Clean Energy Fund (NCEF)</b>	1,000,000,000	-
<b>vi. Securities Premium</b>	36,000	-
	<b>2,068,870,258</b>	<b>1,069,424,388</b>
<b>b. Special Reserve</b> (under Section 36(1)(viii) of the Income Tax Act, 1961)		
Opening Balance	3,361,929,145	2,799,180,145
(+) Addition during the year	514,115,000	562,749,000
Closing Balance	3,876,044,145	3,361,929,145
<b>c. NBFC Reserve</b> (under Section 45-1C of the RBI Act, 1956)	-	67,933,276
<b>d. Debenture Redemption Reserve</b>	138,230,000	-
<b>e. General Reserve</b>		
Opening Balance	5,385,631,990	4,235,631,990
(+) Addition during the year	1,340,000,000	1,150,000,000
(+) Transfer from NBFC Reserve	67,933,276	-
Closing Balance	6,793,565,266	5,385,631,990
<b>f. Profit &amp; Loss Account</b>		
Opening Balance	2,598,008	10,632,712
(+) Net Profit for the current year	2,405,134,827	2,026,450,546
(-) Proposed Dividend	350,000,000	275,000,000
(-) Corporate Dividend Tax	59,482,500	46,736,250
(-) Transfer to Special Reserve	514,115,000	562,749,000
(-) Transfer Debenture Redeumption Reserve	138,230,000	-
(-) Transfer to General Reserve	1,340,000,000	1,150,000,000
Closing Balance	5,905,335	2,598,008
<b>Total</b>	<b>12,882,615,004</b>	<b>9,887,516,807</b>



## NOTE- '4'

### LONG TERM BORROWINGS

Particulars	Terms of Repayment	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>A. Bonds</b>			
<b>I) Tax Free Bonds - Non Convertible Redemable Debentures</b> (Secured by paripassu charge on book debts of the company except series XI.)			
(i) 8.80% Tax free Bonds (Series XIII Tranche-I-IIIB- 2013-14)	Redeemable at par on 13-03-2034	1,441,642,000	-
(ii) 8.55% Tax free Bonds (Series XIII Tranche-I-IIIA- 2013-14)	Redeemable at par on 13-03-2034	388,123,000	-
(iii) 8.56% Tax free Bonds (Series XIII Tranche-I-IC- 2013-14)	Redeemable at par on 27-03-2029	360,000,000	-
(iv) 8.80% Tax free Bonds (Series XIII Tranche-I-IIB- 2013-14)	Redeemable at par on 13-03-2029	2,345,508,000	-
(v) 8.55% Tax free Bonds (Series XIII Tranche-I-IIA- 2013-14)	Redeemable at par on 13-03-2029	1,230,769,000	-
(vi) 8.16% Tax free Bonds (Series XIII Tranche-I-IA- 2013-14)	Redeemable at par on 13-03-2024	757,590,000	-
(vii) 8.41% Tax free Bonds (Series XIII Tranche-I-IB- 2013-14)	Redeemable at par on 13-03-2024	1,052,914,000	-
(viii) 5.50% Tax free Secured Redeemable Energy Bonds (Series XI- 2003-04) Less: Current Maturity	Redeemed in 2013-14	-	350,000,000
		-	350,000,000
<b>II) Taxable Bonds - Non Convertible Redemable Debentures</b> (Secured by negative lien on Book Debts of the company.)			
(i) 8.49% Taxable Bonds (Series VB- 2013-14)	Redeemable at par on 10-05-2028	2,000,000,000	-
(ii) 9.02% Taxable Bonds (Series III- 2010-11 - Tranche-I)	Redeemable at par on 24.09.2025	2,500,000,000	2,500,000,000
(iii) 8.44% Taxable Bonds (Series VA- 2013-14)	Redeemable at par on 10-05-2023	3,000,000,000	-
(iv) 9.49% Taxable Bonds (Series IV- 2012-13 )	Redeemable at par on 04.06.2022	3,000,000,000	3,000,000,000
(v) 8.87% Taxable Bonds (Series III- 2010-11 - Tranche-II)	Redeemable at par on 24.09.2020	1,500,000,000	1,500,000,000
(vi) 8.85% Taxable Bonds (Series II- 2009-10)	Redeemable at par on 13.01.2020	1,500,000,000	1,500,000,000
(vii) 9.60% Taxable Bonds (Series I- 2008-09)	Redeemable at par on 24.2.2019	1,000,000,000	1,000,000,000
<b>Total of Bonds</b>		<b>22,076,546,000</b>	<b>9,500,000,000</b>

Particulars	Terms of Repayment	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>B. Term Loans - Secured</b>			
<b>a. From Banks</b>			
(i) Bank of Baroda (INR Loan) Less: Current Maturity (Secured by US\$ deposit with BOB London)	Interest @ BLR (Floating), Repayment on half yearly basis in remaining 13 Installments ranging between Rs. 554,00,322/- to Rs. 96,126,342/-	978,983,490 113,572,240 865,411,250	1,082,069,708 103,086,218 978,983,490
(ii) OBC Term Loan-III Less: Current Maturity (Secured by pari-passu charge on the Book Debts)	Repaid in 2013-14	- -	140,527,946 140,527,946
(iii) Dena Bank Term Loan-I Less: Current Maturity (Secured by pari-passu charge on the Book Debts)	Repaid in 2013-14	- -	71,000,000 71,000,000
(iv) Union Bank of India Term Loan-II Less: Current Maturity (Secured by pari-passu charge on the Book Debts)	Interest @ BLR+0.25% i.e 10.50% (Floating), Repayment on quarterly basis starting from 09.09.2014 in 27 Installments of Rs. 71,430,000/- each and 1 installment of Rs 71,390,000/-	2,000,000,000 214,290,000 1,785,710,000	2,000,000,000 - 2,000,000,000
(v) Asian Development Bank (ADB) Less: Current Maturity (Secured by pari-passu charge on the Book Debts and Guaranteed by the Government of India)	Repayment on half yearly basis in remaining 15 Installments ranging between US\$ 1,227,300 to US\$ 2,428,269	1,197,582,087 113,572,240 1,084,009,847	1,300,318,051 103,086,218 1,197,231,833
<b>b. From Others</b>			
(i) Small Industrial Development Bank of India (Secured by pari-passu charge on the Book Debts)	Interest @ 10.25% (Floating), repayable on 28.12.2019	2,000,000,000	2,000,000,000
(ii) Loan from NCEF Less: Current Maturity	Interest @ 2% , repayable in 40 equal quaterly instalments starting from 30.6.2015 of Rs 15,25,000/- each.	61,000,000 - 61,000,000	- - -
<b>C. Term Loans - Unsecured</b>			
<b>a. From Banks</b>			
(i) Nordic Investment Bank (NIB) Less: Current Maturity	Repayment on half yearly basis in remaining 10 Installments of US\$ 3,571,428.58 each & 1 installment of US\$ 3,571,428.46	1,787,609,610 325,019,930 1,462,589,680	2,111,164,720 324,794,572 1,786,370,148
(ii) KFW Loan-I Less: Current Maturity (Guaranteed by the Government of India)	Repayment on half yearly basis in remaining 19 Installments of Euro 586,451.79 each ; 32 installments of EURO 586,963.08 each and 1 installment of EURO 586,963.06	1,905,308,054 73,240,556 1,832,067,498	1,978,548,610 73,240,556 1,905,308,054
(iii) KFW Loan-II Less: Current Maturity (Guaranteed by the Government of India)	Repayment on half yearly basis in remaining 12 Installments of Euro 2,858,000 each & 1 installment of Euro 4,272,000	2,498,931,869 370,356,113 2,128,575,756	2,873,862,030 370,946,513 2,502,915,517



Particulars	Terms of Repayment	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(iv) KFW Loan-III (Guaranteed by the Government of India)	Repayment on half yearly basis starting from 30.06.2020 in 9 Installments of Euro 332,000 each & 51 installments of Euro 333,000 each	1,233,594,437	1,233,594,436
(v) KFW Loan-IV Less: Current Maturity (Guaranteed by the Government of India)	Repayment on half yearly basis starting from 30.06.2014 in 16 Installments of Euro 11,111,000 each & 2 installments of Euro 11,112,000 each	3,758,395,207 1,719,481,158	1,509,480,817 -
(vi) International Bank for Reconstruction and Development (IBRD) Less: Current Maturity (Guaranteed by the Government of India)	Repayment on half yearly basis in remaining 13 Installments ranging between US\$ 1,856,900 to US\$ 2,651,500	1,309,381,250 170,451,488	1,470,163,883 160,782,632
<b>b. From Others</b>		<b>1,138,929,762</b>	1,309,381,251
(i) Agence Francaise De Developpement (AFD) (Guaranteed by the Government of India)	Repayment on half yearly basis starting from 31.07.2016 in 30 installments of Euro 2,333,333.33 each	4,804,415,996	4,804,415,996
(ii) Japan International Corporation Agency (JICA) (Guaranteed by the Government of India)	Repayment on half yearly basis starting from 20.6.2021 in 1st installment of Yen 731,720,000 and 40 Installments of Yen 731,707,000 each.	18,132,067,407	15,957,125,685
(iii) Government of India Against International Development Agency (IDA) - Second Renewable Energy Project (INR Loan)	Repayment on half yearly basis in remaining 13 Installments of US\$ 625,000 each and 30 installments of US\$ 1,250,000 each payable in INR	2,206,881,250	2,267,231,564
Add: Liability due to underlying exchange fluctuation (Refer foot note '3')		535,172,125	282,266,873
Less: Current Maturity		2,742,053,375 75,124,750	2,549,498,437 67,986,625
		2,666,928,625	2,481,511,812
<b>Total</b>		<b>63,310,760,307</b>	49,166,319,039

**Foot Notes:**

- (1) All foreign currency borrowings from various multilateral / bilateral agencies (hedged) viz. ADB, IBRD, NIB, KfW, AFD and JICA have been converted into INR loan by way of plain vanilla swap transaction/currency and interest rate swap entered into with various banks with whom IREDA has signed ISDA Master Agreement. These swap/derivative transactions have been entered into with the participating bank for a different maturity period for each transaction which is shorter from the maturity period of the loan. The hedging of the foreign currency loan has been carried out at various intervals and in multiple tranches of drawl against the line of credit. Due to SWAP/hedging of foreign currency loans, in addition to interest cost, these loans carry, hedging/derivative cost, commitment fee, government guarantee fee and other financial charges and due to multiplicity of the trenches of drawl against the line of credit, the applicable rate of interest on these lines of credit has not been disclosed above.
- (2) In respect of the line of credits against which IREDA has drawn the amount but which remain un-hedged as on 31.03.2014, the amount has been converted into INR as per Significant Accounting Policy No. 3
- (3) IDA – II loan was sanctioned by International Development Association (IDA) to Ministry of New and Renewable Energy (MNRE), Government of India in foreign currency which was passed on to IREDA in Indian Rupees by MNRE through budgetary support on the same (IDA) terms and conditions based on Subsidiary Loan Agreement (SLA) signed between MNRE and IREDA. The repayment of the said loan by IREDA to MNRE has to be made in INR equivalent to US\$ on date of payments. Accordingly, in compliance of Accounting Standards issued by Institute of Chartered Accountants of India, loan liability has been recomputed to account for underlying impact of foreign exchange fluctuation on the outstanding loan as on 31st March, 2014 by debiting Statement of Profit and Loss (refer Note 22) by an amount of Rs. 25,29,05,252/- (previous year Rs 18,52,66,873 inclusive of Rs 3,38,76,284 debited to Prior period and transfer from ERAF Trust of Rs 9,70,00,000/-)



**NOTE- '5'**  
**OTHER LONG TERM LIABILITIES**

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Trade Payable	-	-
(b) Others MNRE Interest Subsidy Payable	-	372,243
<b>Total</b>	-	372,243

**NOTE- '6'**  
**LONG TERM PROVISIONS**

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Provision for Employees' Benefits	<b>56,663,476</b>	41,675,134
(b) Provision for Standard Assets	<b>406,027,314</b>	250,407,025
<b>Total</b>	<b>462,690,790</b>	292,082,159

**Foot Note**

Provision for standard assets includes floating provision of Rs.233,350,793 as per prudential norms of IREDA.

**NOTE- '7'**  
**SHORT TERM BORROWINGS**

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(i) Vijaya Bank	<b>998,432,732</b>	-
(ii) Union Bank of India	<b>155,260,194</b>	-
<b>Total</b>	<b>1,153,692,926</b>	-

**Note:** During the year Overdraft facility with Bank of India for Rs 148,00,00,000 & Vijaya Bank for Rs 100,00,00,000 were renewed and Rs 100,00,00,000/- overdraft facility was obtained from Union Bank of India





## NOTE- '8' TRADE PAYABLE

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
Trade Payable	167,793,115	125,584,564
<b>Total</b>	<b>167,793,115</b>	<b>125,584,564</b>

## NOTE- '9' OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Current Maturity of Long Term Debts	3,175,108,475	1,765,451,280
(b) Interest accrued but not due on borrowing	1,462,149,990	1,004,355,977
(c) Others Payable		
Provident Fund Payable	2,145,434	1,923,046
MNRE Programme Funds	95,680,357	98,598,969
MNRE Co Generation Specific Grant	2,790,182	2,790,182
National Hydrogen Energy Board	432,018	415,242
MNRE Interest Subsidy Payable	623,156	4,888,813
National Wind Energy Mission	62,783	-
Other Liabilities	70,393,354	45,496,145
<b>Total</b>	<b>4,809,385,749</b>	<b>2,923,919,654</b>

## NOTE- '10' SHORT TERM PROVISIONS

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Provision for Employees' Benefits	12,271,971	10,329,847
(b) <b>Others</b>		
Provision Income-tax	2,845,127,707	2,078,927,707
Proposed Dividend	350,000,000	275,000,000
Corporate Dividend Tax	59,482,500	46,736,250
Provision for Standard Assets	23,205,878	24,160,708
Provision for Corporate Social Responsibility Fund	56,787,811	64,376,904
Provision for Sustainable Development Fund	3,942,260	3,942,260
Other Provisions	22,587,274	35,845,155
<b>Total</b>	<b>3,373,405,401</b>	<b>2,539,318,831</b>

## NOTE- '11' FIXED ASSETS

Particulars	GROSS BLOCK						Depreciation			NET BLOCK		
	Opening Balance as at 1.4.2013	Additions during the year	Disposals during the year	Adjustments during the year	As at 31.03.2014	Opening up to 1.4.2013	For the year	Disposal during the year	Adjustments during the year	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>(i) Tangible Assets</b>												
Buildings-Residential Leasehold	4,143,149	-	-	-	4,143,149	2,561,003	79,107	-	-	2,640,110	1,503,039	1,582,146
Buildings-Office Leasehold-IHC	43,956,603	-	-	-	43,956,603	17,253,125	1,335,173	-	-	18,588,298	25,368,305	26,703,478
Leasehold-AKB	422,757,821	-	-	-	422,757,821	109,695,398	15,653,121	-	-	125,348,519	297,409,302	313,062,423
Furniture and Fittings	27,684,222	541,783	-	-	28,226,005	14,557,021	2,429,480	-	-	16,986,501	11,239,504	13,127,201
Vehicles	4,213,798	-	-	-	4,213,798	2,354,910	481,267	-	-	2,836,177	1,377,621	1,858,888
Office Equipments	31,118,690	86,926	(258,521)	-	30,947,095	14,261,546	2,348,826	(121,704)	-	16,488,668	14,458,427	16,857,144
Computers	49,446,173	1,019,135	(348,146)	-	50,117,162	29,363,326	8,296,681	(288,185)	-	37,371,822	12,745,340	20,082,847
Library	1,815,194	10,000	-	-	1,825,194	1,815,194	10,000	-	-	1,825,194	-	-
<b>Total A</b>	<b>585,135,650</b>	<b>1,657,844</b>	<b>(606,667)</b>	-	<b>586,186,827</b>	<b>191,861,523</b>	<b>30,633,655</b>	<b>(409,889)</b>	-	<b>222,085,289</b>	<b>364,101,538</b>	<b>393,274,127</b>
Previous year	585,739,251	4,955,897	(5,559,498)	-	585,135,650	159,933,489	36,871,416	(4,943,382)	-	191,861,523	393,274,127	425,805,762
<b>(ii) Intangible Assets**</b>												
Internally Generated	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Software	12,935,936	1,322,648	-	-	14,258,584	4,694,531	2,481,928	-	-	7,176,459	7,082,125	8,274,705
<b>Total B</b>	<b>12,935,936</b>	<b>1,322,648</b>	-	-	<b>14,258,584</b>	<b>4,694,531</b>	<b>2,481,928</b>	-	-	<b>7,176,459</b>	<b>7,082,125</b>	<b>8,274,705</b>
Previous year	8,353,067	4,582,869	-	-	12,935,936	2,999,709	1,661,522	-	-	4,661,231	8,274,705	5,353,358
<b>Total A+B</b>	<b>598,071,586</b>	<b>2,980,492</b>	<b>(606,667)</b>	-	<b>600,445,411</b>	<b>196,556,054</b>	<b>33,115,583</b>	<b>(409,889)</b>	-	<b>229,261,748</b>	<b>371,183,663</b>	<b>401,548,832</b>
Previous year	594,092,318	9,538,766	(5,559,498)	-	598,071,586	162,933,198	38,532,938	(4,943,382)	-	196,522,754	401,548,832	431,159,120
<b>(iii) Capital Work In Progress</b>												
Leasehold Office	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total C</b>	-	-	-	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-	-	-	-
<b>(iv) Intangible Assets under development</b>												
Software under Development	1,478,165	245,100	(1,164,555.00)	-	558,710	-	-	-	-	-	558,710	1,478,165
<b>Total D</b>	<b>1,478,165</b>	<b>245,100</b>	<b>(1,164,555)</b>	-	<b>558,710</b>	-	-	-	-	-	<b>558,710</b>	<b>1,478,165</b>
Previous year	919,455	558,710	-	-	1,478,165	-	-	-	-	-	1,478,165	919,455
<b>Total A+B+C+D</b>	<b>599,549,751</b>	<b>3,225,592</b>	<b>(1,771,222)</b>	-	<b>601,004,121</b>	<b>196,556,054</b>	<b>33,115,583</b>	<b>(409,889)</b>	-	<b>229,261,748</b>	<b>371,742,373</b>	<b>403,026,997</b>
Previous year	595,011,773	10,097,476	(5,559,498)	-	599,549,751	162,933,198	38,532,938	(4,943,382)	-	196,522,754	403,026,997	432,078,575

The included W.D.V. of assets purchased out of grants from World Bank Rs. 1,347,177/- (Computer Rs 157,200/-, Furniture & Fittings Rs 901,6/-, Office Equipment Rs 64,192/- and Software Rs 111,677/-) (previous Year-Included W.D.V. of assets purchased out of grants from World Bank Rs. 1,957,308/- (Computer Rs 2,668,47/-, Furniture & Fittings Rs 11,007/-, Office Equipment Rs 75,506/- and Software Rs 1,583,946/-) Opening balance of Accumulated depreciation of Intangible assets includes Rs. 33,300/- as depreciation less calculated for the FY 2012-13 as wrong date of put to use was taken while calculating depreciation



## NOTE- '12'

### NON CURRENT INVESTMENT

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(i) Trade Investment	-	-
(ii) <b>Other Investments</b>		
Investment in Equity Instruments (unquoted)(at cost)		
1,68,000 (Previous year 1,68,000) fully paid up Equity shares of Rs.10/- each, including 48,000 equity shares allotted as bonus shares, in MP Wind Farms Ltd, a Joint Sector Company of IREDA (having 24% equity), the M P Urja Vikas Nigam Ltd (having 25% equity) and balance shares by others	<b>1,200,000</b>	1,200,000
Less: Provision for diminution in the value of Investment	-	-
	1,200,000	1,200,000
<b>Total</b>	<b>1,200,000</b>	1,200,000

## NOTE- '13'

### LONG TERM LOANS & ADVANCES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
(a) Security Deposits @	31,501,126	1,511,528
(b) Loan & Advances to Related Parties	1,226,800	1,435,368
(c) Term Loans to Constituents of IREDA		
- Onlending	70,862,180,484	54,632,344,812
- Refinancing	1,000,000,000	-
Less: Allowance for bad and doubtful Loans	402,922,383	224,799,283
	<b>71,459,258,101</b>	54,407,545,529
(d) Interest Accrued but not due on Loans	10,526,854	8,846,482
(e) Loans to Employees other than related parties	24,811,696	25,306,241
(f) Advance Tax & Other Tax Recoverable	3,385,003,415	2,093,520,823
(g) Staff Advances (Not bearing interest)	30,433	133,793
<b>Total Loans &amp; Advances of IREDA*</b>	<b>74,912,358,425</b>	56,538,299,764
<b>Sub-classification of above :</b>		
<b>Secured (Considered good)</b>		
- Term Loans to Constituents of IREDA	71,156,823,208	53,922,649,337
- Interest Accrued and due on Loans	10,526,854	8,846,482
- Loans to Employees including related parties	26,038,496	26,741,609
<b>Unsecured (Considered good)</b>		
- Term Loans to Constituents of IREDA*	269,791,523	178,052,590
- Security Deposits	31,501,126	1,511,528
- Advance Tax & Other Tax Recoverable	3,385,003,415	2,093,520,823
- Staff Advances (Not bearing interest)	30,433	133,793
<b>Doubtful</b>		
- Term Loans to Constituents of IREDA	435,565,753	531,642,885
	<b>75,315,280,809</b>	56,763,099,047
Less: Allowance for bad and doubtful Loans	402,922,383	224,799,283
<b>GRAND TOTAL</b>	<b>74,912,358,425</b>	56,538,299,764
- Due from Directors of the Company included in Loans to related parties	1,226,800	1,435,368
- Due from other officers of the Company i.e. Company Secretary as per the Companies Act, 1956	1,505,544	1,692,270

@ Includes Rs 300,00,000 (previous year nil) as security deposit with BSE Ltd for Taxfree bonds Sr XIII-Public Issue

\* Includes funded interest Rs. 213,567,575 (Previous Year Rs. 178,052,590)



## NOTE- '14' OTHER NON CURRENT ASSETS

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Other Bank Balances</b> (Refer Note No. 16)		
<b>Foreign Currency Deposits</b>		
- Dollar Deposit More than 12 months original maturity	<b>1,080,323,622</b>	1,193,895,862
<b>Total</b>	<b>1,080,323,622</b>	1,193,895,862

## NOTE- '15' TRADE RECEIVABLE

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>(A) Outstanding for a period exceeding six months from the date they are due for payment</b>		
(i) Secured, Considered good	-	-
(ii) Unsecured, Considered good	-	266,959
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Sub Total - A</b>	<b>-</b>	<b>266,959</b>
<b>(B) Others</b>		
(i) Secured, Considered good	-	-
(ii) Unsecured, Considered good	<b>1,686,923</b>	286,161
(iii) Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
<b>Sub Total - B</b>	<b>1,686,923</b>	286,161
<b>Total (A+B)</b>	<b>1,686,923</b>	553,120

## NOTE- '16'

### CASH AND BANK BALANCES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>A) CASH AND CASH EQUIVALENTS</b>		
(a) <b>Balances with Banks</b>		
<b>A) In Current Account</b>		
- IREDA	298,865,070	740,424,294
- MNRE	1,941,014	1,941,014
<b>B) In Saving Account</b>		
- IREDA	42,143,573	5,766,023
- UNDP	5,000	5,000
- National Hydrogen Energy Board	432,018	415,242
<b>C) In Deposit Account</b>		
<b>i) INR-Short term Deposit</b>		
- IREDA	2,109,598,122	200,000,002
- MNRE-GBI Wind	-	25,000,000
<b>(ii) Dollar Deposit</b>		
Less than 90 days original maturity	-	4,500,332
<b>(iii) Euro Deposit</b>		
Less than 90 days original maturity	1,849,749,787	65,178,817
<b>(iv) Yen Deposit</b>		
(a) Less than 90 days original maturity	646,656,307	-
(b) Cheques Under Collection/DD In hand	3,857,544	-
(c) Postage Imprest	30,230	30,230
<b>(D) Bank of India (Overdraft Account)</b>	54,287	-
<b>Sub Total</b>	<b>4,953,332,952</b>	<b>1,043,260,954</b>
<b>B) OTHER BANK BALANCES</b>		
i) Foreign Currency Deposits		
<b>- Dollar Deposit</b>		
Less than 12 months original maturity	115,339,670	103,086,218
More than 12 months original maturity	1,080,323,622	1,193,895,862
<b>- Euro Deposit</b>		
Less than 12 months original maturity	-	-
ii) DRT No lien/Other Earmarked Account	-	1,933,010
	<b>1,195,663,292</b>	<b>1,298,915,090</b>
Less: Amount disclosed under non-current assets (Refer Note No. 14)	<b>(1,080,323,622)</b>	<b>(1,193,895,862)</b>
<b>Sub Total</b>	<b>115,339,670</b>	<b>105,019,228</b>
<b>Total</b>	<b>5,068,672,622</b>	<b>1,148,280,182</b>



## NOTE- '17'

### SHORT TERM LOANS & ADVANCES

Particulars	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>A. Total Loans &amp; Advances of IREDA</b>		
(a) Security Deposits	34,000	34,000
(b) Loan & Advances to Related Parties		
Loans to related parties	295,092	295,093
Staff Advances (Not bearing interest) to related parties	69,136	10926
(c) Term Loans to Constituents of IREDA*	11,177,829,202	12,116,688,736
Less: Allowance for bad and doubtful Loans	737,630,989	1,755,490,393
	<b>10,440,198,213</b>	10,361,198,343
(d) Interest Accrued and due on Loans	600,140,696	744,185,581
(e) Interest Accrued but not due on Loans	180,407,615	144,020,604
(f) Loans to Employees	4,697,039	4,970,943
(g) Other Staff Advances (Not bearing interest) other than related parties	3,222,886	3,388,242
(h) Advance Tax & Other Tax Recoverable	162,127,632	410,678,072
(i) Others	5,285,251	4,969,436
<b>Sub Total - I</b>	<b>11,396,477,560</b>	11,673,751,240
<b>B. Total Loans to constituents of MNRE</b>		
(a) Loans to constituents of MNRE	25,476,919	25,852,105
(b) Interest Accrued and due on MNRE Loans	66,468,554	66,408,058
<b>Sub Total - II</b>	<b>91,945,473</b>	92,260,163
<b>Total (I+II)</b>	<b>11,488,423,033</b>	11,766,011,403
<b>Sub-classification of above :</b>		
<b>IREDA</b>		
<b>Secured (Considered good)</b>		
- Term Loans to Constituents of IREDA	9,191,756,189	9,691,024,342
- Interest Accrued and due on Loans	600,140,696	744,185,581
- Interest Accrued but not due on Loans	180,407,615	144,020,604
- Loans to Employees included related parties	4,992,131	5,266,036
<b>Unsecured (Considered good)</b>		
- Term Loans to Constituents of IREDA*	1,108,643,110	576,280,586
- Security Deposits	34,000	34,000
- Staff Advances (Not bearing interest) included related parties	3,292,022	3,399,168
- Advance Tax & Other Tax Recoverable	162,127,632	410,678,072
- Others	5,285,251	4,969,436
<b>Doubtful</b>		
- Term Loans to Constituents of IREDA	877,429,903	1,849,383,808
	<b>12,134,108,550</b>	13,429,241,633
Less: Provision for bad and doubtful debts (IREDA only)	737,630,989	1,755,490,393
	<b>11,396,477,561</b>	11,673,751,240
<b>MNRE</b>		
<b>Doubtful</b>		
- Term Loans to Constituents of MNRE	91,945,473	92,260,163
<b>GRAND TOTAL</b>	<b>11,488,423,033</b>	11,766,011,403
- Due from Directors of the Company included in Staff Advances & Loans to related parties	364,228	306,019
- Due from other officers of the Company i.e. Company Secretary as per the Companies Act, 1956	335,940	335,940

\* Includes funded interest Rs.105,05,02,588 (Previous Year Rs. 576,280,586)



**NOTE- '18'**  
**OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31.03.2014 Rs.</b>	<b>As at 31.03.2013 Rs.</b>
-Interest accrued but not due on deposits with banks	<b>9,558,523</b>	1,900,538
-Others	<b>127,471,825</b>	101,308,059
<b>Total</b>	<b>137,030,348</b>	103,208,597





## NOTE- '19'

### REVENUE FROM OPERATIONS

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
<b>A. INTEREST</b>		
(i) Interest on Lending Operations	<b>8,157,829,235</b>	6,518,042,499
Less : Rebate on Prompt Payment	<b>16,691,826</b>	20,802,226
	<b>8,141,137,409</b>	6,497,240,273
(ii) Differential Interest	<b>15,869,785</b>	1,385,839
Less: Service Tax	<b>1,961,505</b>	152,447
	<b>13,908,280</b>	1,233,392
(iii) Interest on Deposits with Banks		
-Short Term Deposit-INR	<b>301,613,979</b>	387,009,725
-US\$ Deposit	<b>7,273,045</b>	11,860,411
-EURO Deposit	<b>5,474,951</b>	4,341,847
-Yen Deposit	<b>428,804</b>	447,284
	<b>314,790,779</b>	403,659,267
<b>B. OTHER FINANCIAL SERVICES</b>		
(a) Business Service Fees		
(i) Front end Fee	<b>151,874,888</b>	208,426,322
Less: Service Tax	<b>18,771,736</b>	22,927,637
	<b>133,103,152</b>	185,498,685
(ii) Application Fee on Loans	<b>19,572,409</b>	15,355,203
Less: Service Tax	<b>2,419,150</b>	1,689,127
	<b>17,153,259</b>	13,666,076
(iii) Application Fee - Accelerated Depreciation	-	14,378,990
Less: Service Tax	-	1,581,740
	-	12,797,250
(iv) Application Fee - Generation Based Incentive	<b>187,606,972</b>	21,161,469
Less: Service Tax	<b>23,188,222</b>	2,327,837
	<b>164,418,750</b>	18,833,632
(v) Application Fee - Security Trusteeship	<b>570,932</b>	-
Less: Service Tax	<b>70,567</b>	-
	<b>500,365</b>	-

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
<b>(b) Business Service Charges</b>		
Service Charges-MNRE	40,885	1,665
Less: Service Tax	5,053	183
	<b>35,832</b>	1,482
Service Charges - UNDP Programme Fund	1,680,696	762,355
Less Service Tax	207,734	83,862
	<b>1,472,962</b>	678,493
Service Charges - Investment Promotion Component	-	61,798
Less Service Tax	-	6,798
	-	55,000
Service Charges - Generation Based Incentive	19,824,613	4,731,871
Less Service Tax	2,450,322	520,523
	<b>17,374,291</b>	4,211,348
Service Charges - Biogas Feed Fertilizer Plant	435,046	167,749
Less Service Tax	53,772	18,453
	<b>381,274</b>	149,296
Service Charges - Solar Based Village Electrification Pilot Project	-	448,879
Less Service Tax	-	49,378
	-	399,501
Service Charges - Roof Top and Other Small Solar Power Project	22,734,342	16,676,435
Less Service Tax	2,809,965	1,834,467
	<b>19,924,377</b>	14,841,968
(c) Provision for Bad and Doubtful Debts created in earlier years written back	1,031,044,888	-
(d) Amount received in respect of Bad Debts written off	27,458,497	37,465,508
Guarantee Commission	55,929,652	-
<b>Total</b>	<b>9,938,633,767</b>	7,190,731,171





## NOTE- '20' OTHER INCOME

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
Interest on Staff Loan	2,480,549	2,475,343
Dividend (Gross on Long Term Investment)	-	-
Interest on Income Tax Refund	5,874,593	98,917,964
Provision Written Back	3,750,000	-
Applicable Net Gain on Foreign Currency Translations and Transactions	-	1,884,326
<b>Miscellaneous income</b>		
- Transferred from Capital Grant	590,130	1,085,930
- Others	33,716,377	515,654
<b>Total</b>	<b>46,411,649</b>	104,879,217

**NOTE- '21'**  
**EMPLOYEE BENEFIT EXPENSES**

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
(a) Salaries, Wages and Other Amenities	151,480,924	134,795,278
<b>(b) Contribution to Provident and Other Funds</b>		
Contribution to Provident Fund	9,430,245	8,086,316
Provident Fund Administrative Charges	142,209	121,847
Contribution to Benevolent Fund	65,270	64,980
Contribution to Superannuation fund	6,814,038	6,182,034
Contribution to Gratuity Fund	5,086,041	9,611,611
(c) Staff Welfare Expenses	37,090,343	22,070,595
(d) Human Resource Development	1,670,924	1,897,053
<b>Total</b>	<b>211,779,994</b>	<b>182,829,714</b>



## NOTE- '22' FINANCE COST

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
<b>A. Interest Expense</b>		
<b>Interest on Borrowings</b>		
- on Bonds	1,321,771,015	867,839,488
- on Loans	2,854,437,913	2,483,280,798
	<b>4,176,208,928</b>	<b>3,351,120,286</b>
<b>B. Other Borrowing Costs</b>		
<b>(i) Commitment fee</b>		
- on Loan-II from KfW	-	38,478
- on Loan-III from KfW	222,185	473,470
- on Loan-IV from KfW	28,633,325	17,454,002
- On Loan from Japan International Corporation Agency (JICA)	2,073,003	5,271,348
<b>Guarantee Fee</b>		
- on Loan from International Bank for Reconstruction and Development (IBRD)	21,186,152	21,748,783
- on Loan-I from KfW	26,545,665	26,609,363
- on Loan-II from KfW	30,917,317	32,944,003
- on Loan-III from KfW	15,797,485	12,390,507
- on Loan-IV from KfW	18,059,180	1,205,100
- on Loan from Asian Development Bank (ADB)	9,386,970	9,364,668
- on Loan from Agence Francaise De Developpement (AFD)	58,608,610	29,639,588
- on Loan from Japan International Corporation Agency (JICA)	177,126,536	142,688,688
<b>C. Others</b>		
(i) Bond Trusteeship fee	463,083	536,726
(ii) Bank Charges	76,415	100,504
(iii) Bond Issue Expenses*	59,292,187	2,502,000
(iv) Loss due to underlying exchange fluctuation (IDA-II)	252,905,252	151,390,589
(v) Applicable Net Loss on Foreign Currency Translations and Transactions	1,662,290	
(vi) Interest u/s 234(B/C) of the Income Tax Act, 1961	-	-
(vii) Interest on Service Tax	85,040	159,930
(viii) Stamp duty on taxable bonds sr V	-	-
(ix) Others	351,687	350,982
<b>Total</b>	<b>4,879,601,310</b>	<b>3,805,989,015</b>

\*Includes expenses of Rs 5,66,61,187 towards Tax free bonds Sr XI issue during the year

## NOTE- '23'

### OTHER EXPENSES

Particulars	For the year ended 31.03.2014 Rs.	For the year ended 31.03.2013 Rs.
Electricity and Water Charges	6,082,489	5,798,065
Office rent	2,521,717	2,186,300
Office Maintenance	4,267,144	3,784,289
Repairs and Maintenance-Others	8,066,269	9,535,235
Insurance	464,534	538,455
Rates and Taxes	10,234,345	3,960,404
Business Promotion	7,575,828	4,944,733
Travelling and Conveyance	13,300,884	9,058,347
Information and Dissemination	8,824,199	10,616,682
Payment to Auditor	478,000	478,000
Legal and Professional	7,824,225	5,113,396
Newspapers and Periodicals	110,737	103,123
Postage Telegram and Telephone	2,072,048	1,862,339
Printing and Stationery	3,508,691	2,821,828
Recruitment Expenses	1,828,625	-
Credit Rating Expenses	6,347,679	8,463,068
Filing Fees	4,000	-
Corporate Social Responsibility	33,081,498	34,626,904
Director Sitting Fees	180,000	150,000
Loss on Sale of Assets	18,391	329,742
Sustainable Development Expense	-	3,942,260
Miscellaneous Expenses	2,186,055	937,215
<b>Total</b>	<b>118,977,358</b>	<b>109,250,385</b>



## NOTE- '24'

### EMPLOYEE BENEFITS

(i) The summarized position of Post-employment benefits and long term employee benefits recognized in the Statement of Profit & Loss and Balance Sheet as required in accordance with Accounting Standard – 15 (Revised) issued by the Institute of Chartered Accountants of India (ICAI) are as under:-

**(a) Change in the present value of the obligation**

(Amount in Rupees)

Particulars	Gratuity (Funded)	Leave Encashment (Un funded)	Sick Leave (Un funded)	Baggage Allowance (Un funded)	Post Retirement Medical Benefit (Un funded)
Present value of obligation as at the beginning of the year	4,28,45,785 (3,24,60,233)	1,76,77,684 (1,33,38,930)	1,50,75,895 (1,07,87,620)	4,53,800 (3,46,904)	1,16,95,926 (72,24,603)
Interest cost	34,91,931 (26,45,509)	14,40,731 (10,87,123)	12,28,685 (8,79,191)	36,985 (28,273)	9,53,218 (5,88,805)
Current service cost	31,82,315 (28,98,400)	24,92,981 (14,19,677)	15,49,244 (16,16,259)	37,316 (32,194)	8,35,784 (6,87,549)
Past Service Cost	-	-	-	-	-
Benefits paid	-35,42,859 (-)(10,00,000)	-39,31,263 (-)(40,28,589)	-10,42,808 (-)(4,47,873)	0 (0)	-3,23,411 (-)(3,04,008)
Actuarial loss/(gain) on obligations	21,82,408 (58,41,643)	77,10,046 (58,60,543)	70,287 (22,40,698)	18,427 (46,429)	39,00,843 (34,98,977)
Present value of obligation at year end	4,81,59,580 (4,28,45,785)	2,53,90,179 (1,76,77,684)	1,68,81,303 (1,50,75,895)	5,46,528 (4,53,800)	1,70,62,360 (1,16,95,926)

**(b) Change in fair value of plan asset**

(Amount in Rupees)

Particulars	Gratuity (Funded)	Leave Encashment (Un funded)	Sick Leave (Un funded)	Baggage Allowance (Un funded)	Post Retirement Medical Benefit (Un funded)
Fair value of plan assets at the beginning of the year	3,57,44,109 (3,21,71,864)	-	-	-	-
Expected return on plan assets	31,27,610 (29,75,897)	-	-	-	-
Employer's contribution	37,23,578 (16,04,561)	-	-	-	-
Benefits paid	-34,88,577 (-)(10,00,000)	-	-	-	-
Actuarial loss/(gain) on obligations	-2,217 (-)(8,213)	-	-	-	-
Fair value of plan asset at the end of the year	3,91,04,503 (3,57,44,109)	-	-	-	-



(c) Amount recognized in Balance Sheet

(Amount in Rupees)

Particulars	Gratuity (Funded)	Leave Encashment (Un funded)	Sick Leave (Un funded)	Baggage Allowance (Un funded)	Post Retirement Medical Benefit (Un funded)
Estimated present value of obligations as at the end of the year	4,81,59,580 (4,28,45,785)	2,53,90,179 (1,76,77,684)	1,68,81,303 (1,50,75,895)	5,46,528 (4,53,800)	1,70,62,360 (1,16,95,926)
Fair value of plan assets as at the end of the year	3,91,04,503 (3,57,44,109)	- -	- -	- -	- -
Unfunded net liability recognized in balance sheet	90,55,077 (71,01,676)	2,53,90,179 (1,76,77,684)	1,68,81,303 (1,50,75,895)	5,46,528 (4,53,800)	1,70,62,360 (1,16,95,926)

(d) Expense recognized in the Statement of Profit & Loss

(Amount in Rupees)

Particulars	Gratuity (Funded)	Leave Encashment (Un funded)	Sick Leave (Un funded)	Baggage Allowance (Un funded)	Post Retirement Medical Benefit (Un funded)
Current service cost	31,82,315 (28,98,400)	24,92,981 (14,19,677)	15,49,244 (16,16,259)	37,316 (32,194)	8,35,784 (6,87,549)
Past service cost	0 (0)	-	-	-	-
Interest cost	34,91,931 (26,45,509)	14,40,731 (10,87,123)	12,28,685 (8,79,191)	36,985 (28,273)	9,53,218 (5,88,805)
Expected return on plan asset	-31,27,610 (-)(29,75,897)	-	-	-	-
Net actuarial (Gain)/Loss recognized in the year	21,84,625 (58,49,856)	77,10,046 (58,60,543)	70,287 (22,40,698)	18,427 (46,429)	39,00,843 (34,98,977)
Total expenses recognized in Statement of Profit & Loss	57,31,261 (84,17,868)	1,16,43,758 (83,67,343)	28,48,216 (47,36,148)	92,728 (1,06,896)	56,89,845 (47,75,331)

(e) Principal actuarial assumption as expressed as weighted average

(Rate per annum)

Particulars	Gratuity (Funded)	Leave Encashment (Un funded)	Sick Leave (Un funded)	Baggage Allowance (Un funded)	Post Retirement Medical Benefit (Un funded)
Discount rate	9.14% (8.15%)	9.14% (8.15%)	9.14% (8.15%)	9.14% (8.15%)	9.14% (8.15%)
Expected rate of return on plan assets	8.75% (9.25%)	-	-	-	-
Expected rate of salary increase	7.64% (6.75%)	7.64% (6.75%)	7.64% (6.75%)	7.64% (6.75%)	7.64% (6.75%)
Method used	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)



**(f) Investment details of fund:**

Particulars	Gratuity (Funded investment in LIC)	
	In %	Amount in Rupees
Central Government securities	(25%)	Figures not available
State Government securities	(15%)	
Investment in PSUs	(40%)	Figures not available
Other investments (mixed in above 3 categories)	(20%)	

**(g) Defined Contribution Plan**

During the year, the company has recognized an expense of Rs 94,30,245 (Previous year: Rs. 80,86,316) in respect of contribution to Provident Fund, Rs 65,270 (Previous year : Rs. 64,980) in respect of contribution to Benevolent Fund and Rs 68,14,038 (Previous year : Rs. 61,82,034) in respect of contribution to Superannuation Fund.

The estimates of future salary increases, considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors such as supply and demand in employee market.

## NOTE '25'

The company operates in India, hence it is considered to operate only in domestic segment. Major revenue for the company comes from a single segment of financing activities as such considered as a single business/geographical segment for the purpose of Accounting Standard (AS) -17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India (ICAI).

## NOTE '26' RELATED PARTY DISCLOSURE

- (i) Details of transactions entered into with the related parties during the year as required by Accounting Standard (AS) – 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India (ICAI) are as under:-

(Amount in Rupees)

Particulars	Key Management Personnel (KMP)
Managerial remuneration	1,86,16,691 (94,74,328)

- (ii) Disclosure of Related Parties with whom Business transactions took place during the year:-

Name of the Key Management Personnel (KMP)	Designation	Period
Shri K. S. Popli	CMD	From 01.03.2014 (A/N) to 31.03.2014
Shri Debashish Majumdar	Ex-CMD	From 01.04.2013 to 28.02.2014
Shri K. S. Popli	Ex-D(T)	From 01.04.2013 to 01.03.2014 (F/N)
Shri S. K. Bhargava	D(F)	From 01.04.2013 to 31.3.2014

- (iii) The Chairman and Managing Director, Director (Finance) and Director (Technical) have also been allowed staff car including private journey upto a ceiling of 1000 Kms. per month on payment of monthly charges as per Department of Public Enterprises guidelines.

- (iv) IREDA has received dividend of Rs. Nil (Previous year Rs. Nil) from M/s M P Wind Farms Ltd, a Joint Sector Company against Equity Shares.



## NOTE '27'

### EARNING PER SHARE

In terms of Accounting Standard (AS) 20 on Earnings Per Share issued by the Institute of Chartered Accountants of India (ICAI), the Earnings Per Share (Basic & Diluted) is worked out as under:-

Particulars	As at 31.03.2014	As at 31.03.2013
Nominal value of Equity share (Rs. per share)	1000	1000
<b>Numerator</b> Profit after Tax as per Statement of Profit & Loss	240,51,34,827	2,02,64,50,546
<b>Denominator</b>		
▪ Number of equity shares	74,46,000	69,96,000
▪ Weighted average number of Equity shares for calculating Basic and Diluted Earnings per share	73,48,600**	67,34,630*
▪ Basic & Diluted Earnings per share	327.29	300.90

\* weighted average  $(6396000 \times 365/365 + 600000 \times 206/365) = 67,34,630$

\*\* weighted average  $(6996000 \times 365/365 + 450000 \times 286/365) = 73,48,600$

## NOTE '28'

### DEFERRED TAXES

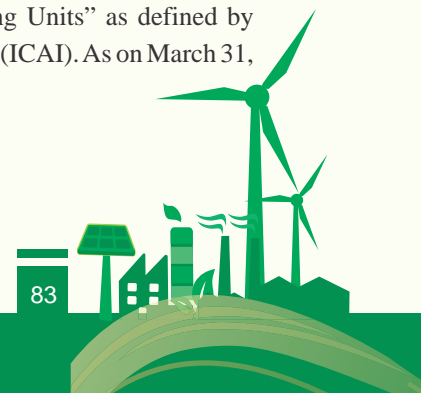
- a) In compliance with the Accounting Standard relating to “Accounting for Taxes on Income” (AS-22) issued by the Institute of Chartered Accountants of India (ICAI), the company has taken credit in the Statement of Profit & Loss towards deferred tax asset (net) on account of timing differences. After giving due consideration, deferred tax assets/liabilities are measured using the applicable current rates of Income Tax. In accordance with the provisions of AS-22, the current year deferred tax debit of Rs. 23,17,31,426 (Previous year : Rs. 19,31,85,371) (credit) has been debited (credited) to the Statement of Profit and Loss.
- b) Since the Company has resolved that it will not make any withdrawal from the Special Reserve created and being maintained under section 36(1)(viii) of the Income Tax Act, 1961, hence the special reserve created and maintained is not capable of being reversed. Thus it becomes a permanent difference as per AS 22 issued by the Institute of Chartered Accountants of India (ICAI). Accordingly, the company has not recognized any deferred tax liability on this account.
- c) The details of deferred tax assets (net) as on 31st March, 2014 is given below:-

A	Deferred Tax Assets (+)	(Amount in Rs.)	
	Arising on account of timing differences:-	As at 31/3/2014	As at 31/3/2013
	<ul style="list-style-type: none"> <li>▪ Provision for Leave Salary, Gratuity, Sick Leave, Baggage Allowance, Post Retirement Medical Benefit , Contribution to CSR Fund and Sustainable Development Fund</li> <li>▪ Provision for Bad &amp; Doubtful Debts &amp; Standard Assets</li> </ul>	4,40,73,310	4,08,98,177
	<b>Total – A</b>	<b>57,76,43,763</b>	<b>80,73,24,210</b>
B	Deferred Tax Liabilities (-)		
	<ul style="list-style-type: none"> <li>▪ Depreciation</li> <li>▪ Stamp duty paid but not debited to Statement of Profit &amp; Loss</li> </ul>	3,56,94,809 (-) 29,56,992	3,36,43,830 (-)29,56,992
	<b>Total – B</b>	<b>3,27,37,817</b>	<b>3,06,86,838</b>
	Deferred Tax Asset (+)/Liability (-) (A-B)	54,49,05,946	77,66,37,372
	<b>Deferred Tax Asset</b>	<b>54,49,05,946</b>	<b>77,66,37,372</b>

## NOTE '29'

### IMPAIRMENT OF ASSETS

Fixed Assets possessed by the company are treated as “Corporate Assets” and not “Cash Generating Units” as defined by Accounting Standard 28 (Impairment of Assets) issued by the Institute of Chartered Accountants of India (ICAI). As on March 31, 2014 there were no events or changes in circumstances which indicate any impairment in the assets.





## NOTE '30'

As per Accounting Standard (AS) – 29 on Provisions, Contingent Liabilities and Contingent Assets issued by the Institute of Chartered Accountants of India (ICAI), the movement in Provisions as on 31<sup>st</sup> March, 2014 are disclosed as under:-

### a) Details of Provisions

(Amount in Rupees)

Sl. No.	Nature of the liability for which provision is made	Opening balance at the beginning of the financial year	Additions made during the financial year	Amount incurred and charged against the provision during the financial year	Closing balance at the end of the financial year
1	Standard assets	27,45,67,732 (30,40,07,702)	15,46,65,459 (4,25,47,350)	0 (7,19,87,320)	42,92,33,192 (27,45,67,732)
2	Income tax	2,07,89,27,707 (3,20,14,44,746)	76,62,00,000 (83,00,00,000)	0 (1,95,25,17,039)	2,84,51,27,707 (2,07,89,27,707)
3	Proposed dividend	27,50,00,000 (25,00,00,000)	35,00,00,000 (27,50,00,000)	27,50,00,000 (25,00,00,000)	35,00,00,000 (27,50,00,000)
4	Dividend tax	4,67,36,250 (4,05,56,250)	5,94,82,500 (4,67,36,250)	4,67,36,250 (4,05,56,250)	5,94,82,500 (4,67,36,250)
5	Leave encashment	1,76,77,684 (1,33,38,930)	1,16,43,758 (83,67,343)	39,31,263 (40,28,589)	2,53,90,179 (1,76,77,684)
6	Gratuity	71,01,676 (2,88,369)	57,31,261 (68,13,307)	37,77,860 (0)	90,55,077 (71,01,676)
7	Post retirement medical benefit	1,16,95,926 (72,24,603)	56,89,845 (47,75,331)	3,23,411 (3,04,008)	1,70,62,360 (1,16,95,926)
8	Sick leave	1,50,75,895 (1,07,87,620)	28,48,216 (47,36,148)	10,42,808 (4,47,873)	1,68,81,303 (1,50,75,895)
9	Baggage Allowance	4,53,800 (3,46,904)	92,728 (1,06,896)	0 (0)	5,46,528 (4,53,800)
10	Corporate Social Responsibility	6,43,76,904 (3,00,00,000)	3,30,81,498 (3,46,26,904)	4,06,70,591 (2,50,000)	5,67,87,811 (6,43,76,904)
11	Sustainable Development	39,42,260 (0)	0 (57,00,000)	0 (17,57,740*)	39,42,260 (39,42,260)
12	Other Provisions	3,58,45,155 (3,73,26,269)	2,00,00,000 (1,20,55,000)	3,32,57,881 (1,35,36,114)	2,25,87,274 (3,58,45,155)
	<b>Total</b>	<b>2,83,14,00,990</b> <b>(3,89,53,21,393)</b>	<b>1,40,94,35,265</b> <b>(1,27,14,64,529)</b>	<b>40,47,40,064</b> <b>(2,33,53,84,933)</b>	<b>3,83,60,96,191</b> <b>(2,83,14,00,990)</b>

Previous year figures shown within bracket

\* included in various expenses under Note 23 i.e other expenses on account of sustainable development expenses, balance provision is debited to Statement of Profit & Loss.

**b) Detail of Contingent Liabilities & Commitments**
**(Amount in Rupees)**

Particulars	As at 31-3-2014	As at 31-03-2013
<b>Contingent Liabilities</b>		
Income tax demand for Assessment Years 2003-04, 2004-05, 2010-11 & 2011-12 is outstanding. The company has filed appeals against the orders of the Income Tax Department for the respective assessment years and based upon the decision of the Hon'ble ITAT on similar issues for assessment years 1998-99 to 2002-03 and on opinion of Expert Advisory Committee of The Institute of Chartered Accountants of India on provision for disputed income tax/interest demands raised by Income Tax Authorities in respect of which appeals are filed with higher authorities, no provision for the said demands has been made during the year.	31,82,00,000	31,82,00,000
Claims against the Company not acknowledged as debt	1,50,00,000	1,50,00,000
During the year company has provided counter indemnity in favour of M/s Indusind Bank against issue of Bank Guarantee in favour of BSE Ltd. as security for receiving subscription of Public issue of Tax free bonds.	7,00,00,000	0
Long Term Guarantee in favor of Tadas Wind Energy Limited for guaranteeing the advance payment on request of borrower M/S. Wind World India Ltd	1,38,28,50,000	0
<b>Total of Contingent Liabilities</b>	<b>1,78,60,50,000</b>	<b>33,32,00,000</b>
<b>COMMITMENTS</b>		
Estimated value of contract to be executed on Capital Account and not provided	0	0

**NOTE '31'**
**MNRE PROGRAMME FUNDS**

The Company besides its own activities implements Programmes on behalf of Ministry for New and Renewable Energy on the basis of Memorandum of Understanding entered into with the said Ministry. In terms of stipulations of each of the MoUs, MNRE has placed an agreed sum in respect of each Programme with the company for programme implementation. Interest on MNRE loans are accounted on due basis. As the income generated by the MNRE programme loans is not the income of the company and also the loan assets belong to MNRE, the same is not considered for asset classification and provisioning purposes. On closure of the respective Programmes, the company is required to transfer the amount standing to the credit of MNRE (inclusive of interest accrued thereon) to MNRE after deducting the service charges, irrecoverable defaults and other dues as stipulated in the MoU. The amount due to MNRE on account of the above at the close of year, along with interest on unutilized funds kept in separate bank account with Nationalized Banks as short-term deposits, is shown under the head Current Liabilities in the Balance Sheet.





## NOTE '32'

### SUBSIDY

#### (a) Interest Subsidy

As per the Government policy, MNRE is providing interest subsidy. The interest subsidy is released to borrowers implementing MNRE programmes of Co-generation, Small Hydro, Briquetting, Biomass, Solar Thermal and Waste to Energy on NPV basis and for Solar and SPV programmes on actual basis. The interest subsidy is passed on to the borrowers on quarterly basis subject to complying with the terms and conditions of the sanction by these borrowers.

The undisbursed interest subsidy as on 01-04-2013 was Rs. 16,32,938 (Previous year : Rs. 1,77,07,747) and the company received during the year Rs. 51,943 (Previous year : Rs. Nil). Out of this, a sum of Rs. 26,48,399 (Previous year: Rs. 1,60,74,799) has been passed on during the year to the borrowers on compliance of the terms and conditions of the interest subsidy scheme. Further, during the year a sum of Rs 51,943 (Previous year : Rs. Nil) has been refunded to MNRE on account of loan recalled/pre-closed by the borrowers. The total undisbursed interest subsidy as on 31-03-2014 stands at Rs. (-) 9,63,518 (Previous year: Rs. 16,32,938).

The programme-wise details of interest subsidy received, passed, refunded during the year and the balance as on 31<sup>st</sup> March, 2014 are as under:-

#### (i) Interest subsidy on NPV basis:-

(Amount in Rupees)

Sl. No.	Name of the sector	Opening Balance as on 01-04-2013	Interest Subsidy received during 2013-14	Amount refunded during 2013-14	Interest Subsidy passed on during 2013-14	Closing Balance as on 31-03-2014
1	Bio-mass Co-generation	2,53,02,662 (2,94,56,299)	0 (0)	0 (0)	26,03,922 (41,53,637)	2,26,98,740 (2,53,02,662)
2	Small Hydro	1,82,667 (2,37,639)	0 (0)	0 (0)	0 (54,962)	1,82,667 (1,82,667)
3	Waste to Energy	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
	<b>Sub Total....A</b>	<b>2,54,85,339 (29,69,39,38)</b>	<b>0 (0)</b>	<b>0 (0)</b>	<b>26,03,922 (42,08,599)</b>	<b>2,28,81,407 (2,54,85,339)</b>



**(ii) Interest subsidy on actual basis:-**

(Amount in Rupees)

Sl. No.	Name of the sector	Opening Balance as on 01-04-2013	Subsidy received during 2013-14	Amount refunded during 2013-14	Interest received on FDR	Subsidy passed on during 2013-14	Closing Balance as on 31-03-2014
1	Solar Thermal Sector	3,952 (3,952)	0 (0)	0 (0)	0 (0)	0 (0)	3,952 (3,952)
2	SPV WP 2000-01	-51,35,405 (-) (34,02,805)	0 (0)	0 (0)	0 (0)	0 (17,32,600)	-51,35,405 (-) (51,35,405)
3	SPV WP 2001-02	(-)1,36,02,787 (-) (76,69,651)	0 (0)	0 (0)	0 (0)	0 (59,33,136)	(-)1,36,02,787 (-) (1,36,02,787)
4	SPV WP 1999-00	-6,84,937 (-) ( 6,84,937)	0 (0)	0 (0)	0 (0)	0 (0)	-6,84,937 (-) (6,84,937)
5	SPV WP Manufacturing	-2,96,898 (-) ( 2,96,898)	0 (0)	0 (0)	0 (0)	0 (0)	-2,96,898 (-) ( 2,96,898)
6	SPV WP 2002-03	-41,38,701 (0)	0 (0)	0 (0)	0 (0)	0 (41,38,701)	-41,38,701 (-)(41,38,701)
7	Accelerated SWH System	2,385 (64,148)	0 (0)	0 (0)	0 (0)	44,477 (61,763)	-42,092 (2,385)
	<b>Sub Total.....B</b>	<b>-2,38,52,391</b> <b>(-) (1,19,86,191)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>	<b>44,477</b> <b>(1,18,66,200)</b>	<b>-2,38,96,868</b> <b>(-)(2,38,52,391)</b>
	<b>Grand Total (A + B)</b>	<b>16,32,938</b> <b>(1,77,07,747)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>	<b>26,48,399</b> <b>(1,60,74,799)</b>	<b>-9,63,518</b> <b>(16,32,938)</b>

Previous year figures shown within bracket

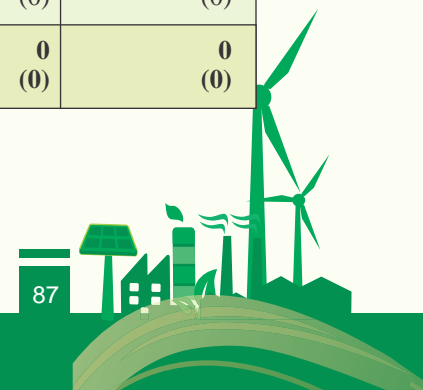
**(b) Capital subsidy**

During the year an amount of Rs. 24,40,50,000 (Previous year: Rs. 4,00,00,000) was received from MNRE towards Capital Subsidy. Out of the total capital subsidy amount available, Rs. 24,40,50,000 (Previous year: Rs. 4,00,00,000) was passed on to the borrowers on compliance of the terms and conditions of the capital subsidy scheme. The sector-wise details of capital subsidy at the beginning, received during the year, passed/refunded/adjusted during the year and the balance as on 31-03-2014 are as under:-

(Amount in Rupees)

Name of the sector	Opening balance as on 01.04.2013	Received during the year	Passed on during the year	Amount refunded to MNRE during the year	Adjustment	Closing balance as on 31.03.2014
Hydro	0 (0)	24,40,50,000 (4,00,00,000)	24,40,50,000 (4,00,00,000)	0 (0)	0 (0)	0 (0)
<b>Total</b>	<b>0</b> <b>(0)</b>	<b>24,40,50,000</b> <b>(4,00,00,000)</b>	<b>24,40,50,000</b> <b>(4,00,00,000)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>	<b>0</b> <b>(0)</b>

Previous year figures shown within bracket





### **NOTE '33'**

- (a) Conveyance deeds in respect of leasehold buildings - a residential flat costing Rs. 41,43,149 (Previous year – Rs. 41,43,149), office premises-IHC costing Rs. 4,39,56,603 (Previous year – Rs. 4,39,56,603) and office premises-AKB costing Rs. 42,27,57,822 (Previous year – Rs. 42,27,57,822) are yet to be executed in favour of the Company. The cost includes proportionate value of land which has not been separately determined and accounted for. As such, depreciation has been charged on composite cost at the rates prescribed in Schedule XIV to the Companies Act, 1956.
- (b) The property tax in respect of office premises for the period upto 31st March, 2014 has been paid as per the demand raised by India Habitat Centre which was based on cost of the building. Municipal Corporation of Delhi has raised an issue with India Habitat Centre to include license fee received from the facilities area for the purpose of calculating rateable value. This matter is now pending with the Hon'ble Delhi High Court. In case the Hon'ble Delhi High Court decides against the company, the liability on account of municipal tax will have to be reworked which is not ascertainable at this stage.

### **NOTE '34'**

While making provision for Non Performing Assets, the value of security and provision for doubtful cases has been derived from the balance sheet of the borrower(s) by applying the depreciation as per rates prescribed under Schedule XIV of the Companies Act, 1956. However, the balance sheet of the borrower(s) if older than 5 years from the financial year for which the shortfall is worked out, the same is ignored.

### **NOTE '35'**

IREDA is a Non-Banking Financial Company (NBFCs) registered with Reserve Bank of India and follows the guidelines in case of income recognition, asset classification and provisioning as approved by Board of Directors of IREDA in terms of Articles of Association and complies with the disclosure requirements as per RBI guidelines pertaining to NBFCs, as amended from time to time. Accordingly, the unrealized interest amounting to Rs 1,89,10,05,663 (Previous year : Rs. 1,16,50,02,195) on accounts classified as Non-Performing Asset (NPAs) has not been recognized as income for the year. Further, a sum of Rs.16,30,97,857 (Previous year : Rs. 90,15,513) being the amount of unrealized interest upto 2012-13 has been reversed in respect of those accounts which have been classified as NPA for the first time during the year. An amount of Rs 9,50,35,906. (Previous year : Rs. 6,35,86,456) has been recognized as income being interest realized during the year from NPA accounts.

### **NOTE '36'**

The amount payable to enterprises falling under The Micro, Small and Medium Enterprises Development Act, 2006 is Rs. Nil (Previous year : Rs. Nil). Accordingly, no disclosure is being made as required by the said Act.

### **NOTE '37'**

In the opinion of the management, the value of Current Asset, Loans & Advances on realization in the ordinary course of the business, will not be less than the value at which these are stated in the Balance Sheet.



## NOTE '40'

### DISCLOSURE OF PRIOR-PERIOD ITEMS

(Amount in Rupees)

Particulars	2013-14	2012-13
Salary and Wages	1,51,508 Dr.	0
Business promotion	31,460 Dr.	0
IHC Maintenance Expenses	7,94,170 Dr.	0
Business Promotion	50,000 Dr.	0
Service tax	34,63,710 Dr.	0
GBI Application Fees	9,949 Cr.	0
Depreciation	33,300 Dr.	
Refund of Accelerated Depreciation Fees	0	19,52,409 Dr.
Medical Expenses- Others	0	2,62,042 Dr.
Electricity and Waters	0	1,50,592 Dr.
Underlying Exchange Fluctuation (IDA-II)	0	3,38,76,284 Dr.
Wages-others	0	2,20,263 Dr.
Accelerated Depreciation Fees	0	89,156 Cr.
Intt Payable on IDA-II	0	34,76,353 Cr.
<b>Total (Net Dr./Cr.)</b>	<b>45,14,199 Dr.</b>	<b>3,28,96,081 Dr.</b>

## NOTE '41'

### ADDITIONAL INFORMATION

- a) Expenditure in Foreign Currency:
- ◆ On Traveling Rs. 8,51,597 (Previous year : Rs. 2,67,582)
  - ◆ Interest expenses & Other Finance Charges – Rs. 39,43,63,917(Previous year :Rs. 38,09,33,213) which exclude hedging cost in Rs.1,92,96,75,413 (Previous Year : Rs. 1,53,80,11,316)
- b) Earnings in Foreign Exchange:
- ◆ Interest Rs.34,31,54,233 (Previous year : Rs. 34,41,74,242)
- c) Revenue Grant received on account of Technical Assistance Programme (TAP) from KfW-II - Rs Nil (Previous year : Rs 12,12,074)

## NOTE '38'

### REMUNERATION TO AUDITOR

(Amount in Rupees)

Particulars	Statutory Auditor
As Auditor	2,35,000 (2,10,000)
Limited Review Audit	1,20,000 (1,20,000)
Tax Audit	94,000 (108,000)
*Certification & Other Service	50,000 (40,000)
Fee as Auditor to Tax Free Bonds	10,00,000 (0)
<b>Total</b>	<b>14,99,000</b> <b>(4,78,000)</b>

Previous year figures shown within bracket

\* Include Rs. 24,000 for FY 2011-12

## NOTE '39'

### REMUNERATION OF DIRECTORS

- a) Remuneration paid to the Chairman and Managing Director, Director (Technical), Director (Finance) and are as under:-

(Amount in Rupees)

Particulars	Chairman and Managing Director		Director (Technical)**	Director (Finance)
	Ex-CMD*	Present CMD**		
Salary & allowances	79,88,693 (32,67,149)	1,84,125 (0)	52,45,766 (25,25,769)	26,51,011 (4,82,893)
Medical allowance	80,348 (75,000)	6,370 (0)	77,450 (73,000)	68,960 (17,609)
Provident Fund	195,574 (1,90,163)	16,604 (0)	1,93,454 (1,86,383)	177,360 (43,860)
Superannuation Contribution	146,680 (132,302)	12,859 (0)	1,36,123 (43,732)	133,022 (32,896)
Value of perquisites as per Income Tax Act, 1961	5,20,458 (4,05,381)	20,350 (0)	3,87,253 (2,73,650)	3,74,231 (69,872)
<b>Total</b>	<b>89,31,753</b> <b>(40,69,995)</b>	<b>2,40,308</b> <b>(0)</b>	<b>60,40,046</b> <b>(31,01,534)</b>	<b>34,04,584</b> <b>(6,47,130)</b>

Previous year figures shown within bracket

\* Mr. Debashish Majumdar, Ex-CMD was superannuated on 28.02.2014.

\*\* Mr K.S Popli was Director (Technical) upto 01-03-2014 (F/N) and took charge as Chairman and Managing Director on 01.03.2014 (A/N)

Note: In addition to above Sh SP Reddi, Ex- Director (Finance) who was superannuated on 30-04-2012. was paid an amount of Rs 11,39,099 comprising of Performance related Pay for the financial year 2010-11 & 2011-12 and pay revision arrear for the period from 15-03-2012 to 30.04.2012 due to up-gradation of the company from Schedule 'C' to Schedule 'B'

- a) Contribution towards Gratuity Fund for Directors is not ascertainable separately as the contribution to LIC is not made employee wise.  
b) Sitting Fees paid to Independent Directors - Rs. 1,80,000 (Previous year Rs. 1,50,000).

**NOTE '42'**
**THE DISCLOSURES UNDER RBI GUIDELINES ARE AS UNDER (IREDA ONLY)**

a.	Capital to Risk Assets Ratio (CRAR)	23.79% (24.75%)
b.	Exposure to Real Estate Sector (Direct and Indirect)	0 (0)

c. Maturity Pattern of Assets & Liabilities			
Items	Less than or equal to 1 year	More than a year upto 3 years	More than 3 years upto 5 years
Rupee assets	14,08,40,67,163 (12,84,54,21,728)	16,53,43,01,159 (14,49,08,46,508)	16,38,27,25,502 (12,94,11,63,014)
Foreign currency assets	2,61,17,45,764 (172,765,367)	26,37,48,506 (239,016,300)	32,03,36,010 (290,656,460)
<b>Total Assets</b>	<b>1,66,95,812,927</b> <b>(13,01,81,87,095)</b>	<b>1,67,98,049,665</b> <b>(14,72,98,62,808)</b>	<b>16,70,30,61,512</b> <b>(13,23,18,19,474)</b>
Rupee liabilities	6,80,91,24,455 (4,48,79,85,933)	84,73,88,506 (73,93,98,543)	1,90,39,76,010 (86,20,96,460)
Foreign currency liabilities*	2,84,72,46,235 (1,10,08,37,116)	4,68,29,84,657 (4,25,43,59,805)	3,06,72,44,869 (3,00,02,92,676)
<b>Total liabilities</b>	<b>9,50,42,77,190</b> <b>(5,58,88,23,049)</b>	<b>5,53,03,73,163</b> <b>(4,99,37,58,348)</b>	<b>4,97,12,20,879</b> <b>(3,86,23,89,136)</b>

Items	More than 5 years upto 7 years	More than 7 years	Total
Rupee assets	15,00,37,29,390 (11,38,53,99,342)	27,90,94,50,693 (18,90,16,21,478)	89,91,42,73,907 (70,56,44,52,070)
Foreign currency assets	38,93,95,696 (35,31,84,388)	10,68,43,409 (3,110,38,712)	3,69,20,69,385 (1,36,66,61,227)
<b>Total Assets</b>	<b>15,39,31,25,086</b> <b>(11,73,85,83,730)</b>	<b>28,01,62,94,102</b> <b>(19,21,26,60,190)</b>	<b>93,60,63,43,292</b> <b>(71,93,11,13,297)</b>
Rupee liabilities	5,86,49,66,734 (3,42,46,24,388)	38,81,15,48,294 (26,62,88,35,308)	54,23,70,03,999 (36,14,29,40,632)
Foreign currency liabilities*	2,56,59,32,419 (2,94,92,38,149)	26,20,59,31,113 (24,48,34,44,919)	39,36,93,39,293 (35,78,81,72,665)
<b>Total liabilities</b>	<b>8,43,08,99,153</b> <b>(6,37,38,62,537)</b>	<b>65,16,95,72,907</b> <b>(51,11,22,80,228)</b>	<b>93,60,63,43,292</b> <b>(71,93,11,13,297)</b>



### **NOTE '43'**

MNRE funds are not classified as Current and Non-Current as these funds are payable on demand of MNRE.

### **NOTE '44'**

During the year, Ministry of New and Renewable Energy vide letter No.1/2/2013-EFM dated 11th March, 2014 had provided an amount of Rs.100 crores from National Clean Energy Fund (NCEF) as grant to provide re-finance at concessional rates of interest to scheduled commercial banks/financial institutions in respect of their lending to renewable energy projects. Accordingly, in terms of the scheme of re-financing, IREDA has on lent Rs.100 crores in the form of refinancing in the month of March, 2014 and utilized the said fund.

### **NOTE '45'**

NBFC reserve has been transferred to General Reserve as there is no further requirement as per RBI being a Govt. NBFC

### **NOTE '46'**

Ministry of Finance, Government of India vide notification No.61/2013/F.No.178/37/2013-(ITA.I) dated 8th August, 2013 had allocated an amount of Rs.1000 crores to IREDA to be raised by way of issue of Tax Free Bonds. In terms of the said notification, IREDA has raised an amount of Rs.721,65,46,000 by way of public issue and Rs.36,00,00,000 by way of private placement aggregating to Rs.757,65,46,000 during the year.

In terms of the Circular No.04/2013 dated 11th February, 2013 issued by Ministry of Corporate Affairs, Government of India, IREDA is required to create a Debenture Redemption Reserve (DRR) upto 25% of the funds raised through public issue. Accordingly, the DRR for the year 2013-14 has been created which works out to Rs.13,82,30,000/- (previous year nil) by way of spread of the requirement of the 25% of the DRR amount over respective tenure of the bonds in such a manner that the said DRR is available one year before the maturity period of the respective bonds.

### **NOTE '47'**

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.

As per our Report of even date

**For Gianender & Associates**  
Chartered Accountants  
ICAI Regn. No. 004661N

**Ramesh Koul**  
Partner  
Membership No. 077804

**S K Bhargava**  
Director (Finance)

**K S Popli**  
Chairman and  
Managing Director

Place : New Delhi  
Date : 14.08.2014

**Surender Suyal**  
Company Secretary

**Annexure to be enclosed with Balance Sheet (As prescribed by RBI)**

(Particulars as required in terms of Paragraph 13 of Non-Banking (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, in so far as they are applicable to the company)

(Amount in Rupees)

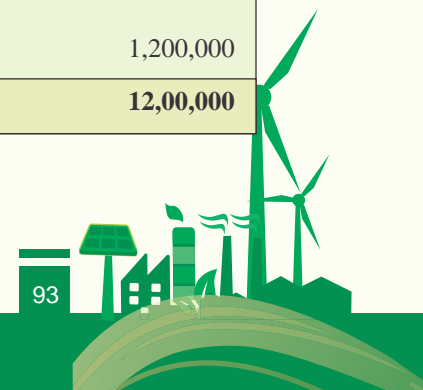
Particulars	Amount Outstanding	Amount Overdue
<b>LIABILITY SIDE:</b>		
Loans and advances availed by NBFCs inclusive of interest accrued thereon but not paid		
(a) Debentures		
(i) Secured (Tax Free Bonds)	7,576,546,000	Nil
(ii) Secured (Taxable Bonds)	14,500,000,000	Nil
(iii) Unsecured	-	Nil
(b) Term Loans from Govt. of India*	2,803,053,375	Nil
(c) Term Loan from International Financial Institution	36,627,285,917	Nil
(d) Term Loan from Banks	4,978,983,490	Nil
(e) Cash Credit from Banks/Bank Overdraft	0	Nil
<b>Total</b>		<b>Nil</b>

\* including underlying liability due to exchange fluctuation amounting to Rs. 2,74,20,53,375/-

\* including amount received from NCEF amounting to Rs. 6,10,00,000/-

Particulars	Amount Outstanding
<b>ASSET SIDE:</b>	
Break up of loans and advances (net of provision) including bills receivable	
(a) Secured loan	81,435,072,946
(b) Unsecured loan	4,965,708,513
(c) Foreign currency deposit	3,692,069,386
(d) INR deposit	2,109,598,122
<b>Total</b>	<b>92,202,448,967</b>

Particulars	Amount Outstanding
<b>Break up of Investment</b>	
Current Investment	0
Long Term Investment	
(a) Unquoted	
Equity Shares	1,200,000
<b>Total</b>	<b>12,00,000</b>





<b>Borrower Group-wise classification of all leased assets, stock-on-hire and loans and advances:</b>			
<b>Particulars</b>	<b>Amount Net of Provisions</b>		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same Group	Nil	Nil	Nil
(c) Other related Parties	1,521,892	69,136	1,591,028
2. Other than Related Parties	87,235,218,562	4,965,639,377	92,200,857,939
<b>Total</b>	<b>87,236,740,454</b>	<b>4,965,708,513</b>	<b>92,202,448,967</b>
<b>Investor Group-wise classification of all investment (current and long term) in shares and securities (both quoted and unquoted):</b>			
<b>Particulars</b>	<b>Amount Outstanding</b>		
Break up of Investment			
1. Related Parties			
(a) Subsidiaries			0
(b) Companies in the same Group			0
(c) Other related Parties			12,00,000
2. Other than Related Parties			0
<b>Total</b>			<b>12,00,000</b>
<b>Other Information</b>			
<b>Particulars</b>	<b>Amount</b>		
(i) Gross Non-Performing Assets			
(a) Related Parties	-	-	-
(b) Other than related Parties	-	3,415,528,868	-
(ii) Net Non-Performing Assets			
(a) Related Parties	-	-	-
(b) Other than related Parties	-	2,044,420,968	-
(iii) Asset acquired in satisfaction of debts	-	-	-

As per our Report of even date

**For Gianender & Associates**  
Chartered Accountants  
ICAI Regn. No. 004661N

**Ramesh Koul**  
Partner  
Membership No. 077804

**S K Bhargava**  
Director (Finance)

**K S Popli**  
Chairman and  
Managing Director

Place : New Delhi  
Date : 14.08.2014

**Surender Suyal**  
Company Secretary



### Cash Flow Statement For the Year Ended 31st March, 2014

Particulars	For the year ended March 31, 2014		For the year ended March 31, 2013	
<b>A Cash Flow from Operating Activities:</b>				
Net Profit Before Tax and Extraordinary / Prior Period Items:	3407580453		2538656898	
<b>Adjustment for:</b>				
1 Depreciation	33115583		38532938	
2 Provision for Non Performing Assets	-839736304		469821571	
3 Provision for Standard Assets	154665459		42547350	
4 Prior Period Expenses/Income	-4514199		-32896081	
5 Foreign Exchange Fluctuations/Underlying exchange fluctuation	252905252		149506263	
6 Interest Funded adjusted from provision held	0		-71987320	
7 Amortization of Capital Grant	-590130		-1085930	
8 Income Tax Provision written back	0		157654851	
9 Loss on sale of Fixed Assets/Adjustment	18391		329742	
10 Dividend on investment	0		0	
11 Adjustment of depreciation with prior period	33300		0	
<b>Operating profit before Working Capital Changes</b>	<b>3003477805</b>		<b>3291080282</b>	
<b>Increase / Decrease in</b>				
1 Loans and Advances - IREDA	-16214116526		-17425871319	
2 Loans and Advances - MNRE	314690		-319876	
3 Other Non Current Assets	113572240		103086218	
4 Other Bank Balances	-10320442		20928671	
5 Other Current Assets	-33821751		-93678505	
6 Trade Receivable	-1133803		11936740	
7 Other Long Term Liabilities	-372243		-4888895	
8 Other Current Liabilities	475808899		236572717	
9 Trade Payable	42208551		80960284	
10 Provisions	-3916508		56856605	
	-15631776893		-17014417360	
<b>Cash Generated from Operations</b>	<b>-12628299088</b>		<b>-13723337079</b>	
Income Tax	-1042932153		-889674098	
<b>Net Cash Generated from Operations</b>		-13671231241		-14613011177
<b>B Cash Flow From Investing Activities</b>				
1 Purchase of Fixed Assets	-2061034		-10097476	
2 Sale of Fixed Assets	178386		286373	
3 Dividend on Investment	0		0	
<b>Net Cash flow from Investing Activities</b>		-1882648		-9811103
<b>C Cash Flow from Financial Activities</b>				
1 Equity Contribution	450000000		600000000	
2 National Clean Energy Fund	1000000000		0	
3 Securities Premium	36000			
4 Redemption of Bonds	-350000000		-500000000	
5 Dividend paid	-275000000		-250000000	
6 Dividend Tax paid	-46736250		-40556250	
7 Increase /Decrease in Short term Debts	1153692926		-214986	
8 Increase /Decrease in Long term Debts	15651193211		9843938396	
<b>Net Cash flow from Financing Activities</b>		17583185887		9653167160
<b>Net Increase in Cash and Cash Equivalents</b>		<b>3910071998</b>		<b>-4969655119</b>
Cash and Cash Equivalents at the beginning of the year		1043260954		6012916073
<b>Cash and Cash Equivalents at the end of the year</b>		<b>4953332952</b>		<b>1043260954</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>3910071998</b>		<b>-4969655119</b>
		0		0
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>				
Postage Imprest		30230		30230
In Current Accounts with Banks		300806084		742365308
In Saving Accounts with Banks		42580591		6186265
In Overdraft Accounts with Banks		54287		
In Deposit Accounts with Banks		4606004216		294679151
Cheques under Collection/DD in hand		3857544		0
		<b>4953332952</b>		<b>1043260954</b>
<b>Notes to the Cash Flow statement.</b>				
1 Previous years figures have been rearranged and regrouped wherever necessary				
2 Cash and cash equivalent includes foreign currency deposits which are available to meet the foreign currency loans only.				
3 There is no such cash and cash equivalent balance held by IREDA that are not available for use for IREDA				

As per our Report of even date

**For Gianender & Associates**

Chartered Accountants  
ICAI Regn. No. 004661N

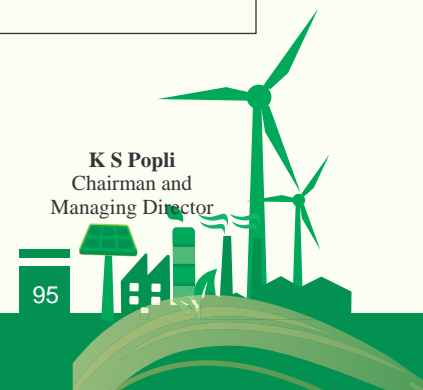
**Ramesh Koul**  
Partner  
Membership No. 077804

**S K Bhargava**  
Director (Finance)

**K S Popli**  
Chairman and  
Managing Director

Place : New Delhi  
Date : 14.08.2014

**Surender Suyal**  
Company Secretary





### STATUS OF MNRE FUNDS AS ON 31.03.2014

SECTOR	Programme	Balance as on 1.4.2013	Grant Received during the year	Interest Earned During the Year	Service Charges Recoverable	Amount Refunded	Amount/ Subsidy Disbursed	Total Funds As on 31.03.2014	Loans Outstanding as on 31.03.2014	Interest Outstanding as on 31.03.2014	Balance with Bank CURRENT A/C	Balance with Iredia	Total FUNDS	Total Funds
				TOTAL										
1	SPV. MFG. LOAN-(32046)	47153806	0	0	0	0	0	47153806	14773000	38668526	40646	(6328366)	53482172	47153806
2	SPV. USER LOAN (32290+32425+32045)	117997728	0	0	0	0	375186	117622542	9561880	21181011	1696224	85183427	32439115	117622542
3	SPV. USER'S SUBSIDY(32424+32044)	(84805257)	0	0	0	0	0	(84805257)	0	0	0	(84805257)	0	(84805257)
4	SPV. MARKET-(32142)	12000	0	0	0	0	0	12000	0	0	0	12000	0	12000
5	SOLAR THERMAL-(32081)	16610129	0	60495	0	0	0	16670624	1142039	6619015	132178	8777390	7893232	16670622
6	SPV. USER'S SUBSIDY-2002-2003-(32869)	0	0	0	0	0	0	0	0	0	34568	(34568)	34568	0
7	SPV. USER'S SUBSIDY-2003-2004-(32968)	0	0	0	0	0	0	0	0	0	37397	(37397)	37397	0
8	CO GENERATION INTT SUBSIDY	25302662	0	0	0	0	2603922	22698740	0	0	0	22698740	0	22698740
9	INTEREST SUBSIDY ON SOLAR THERMAL	3952.45	0	0	0	0	0	3952	0	0	0	3952	0	3952
10	INTEREST SUBSIDY ON SPV USER LOAN 2000-01-(32636)	(5135405)	0	0	0	0	0	(5135405)	0	0	0	(5135405)	0	(5135405)
11	INTEREST SUBSIDY ON SPV USER LOAN 2001-02	(13602787)	0	0	0	0	0	(13602787)	0	0	0	(13602787)	0	(13602787)
12	INTEREST SUBSIDY ON SPV MFG-(32591)	(296898)	0	0	0	0	0	(296898)	0	0	0	(296898)	0	(296898)
13	INTEREST SUBSIDY ON SPV-99-2000	(684937)	0	0	0	0	0	(684937)	0	0	0	(684937)	0	(684937)
14	INTEREST SUBSIDY ON SPV-02-03	(4138701)	0	0	0	0	0	(4138701)	0	0	0	(4138701)	0	(4138701)
15	INTEREST SUB ON SMALL HYDRO	182677	0	0	0	0	0	182677	0	0	0	182677	0	182677
16	INTEREST SUB ON WASTE TO ENERGY	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	<b>98598970</b>	<b>0</b>	<b>60495</b>	<b>0</b>	<b>0</b>	<b>2979108</b>	<b>95680357</b>	<b>25476919</b>	<b>66468552</b>	<b>1941013</b>	<b>1793871</b>	<b>93886484</b>	<b>95680355</b>



IREDA organized a play "Hum Log" on 11.03.2014 by Asmita Theatre Group

# ENERGY FOR EVER



IS/ISO 9001:2008 Certified

## Indian Renewable Energy Development Agency Ltd.

(A Government of India Enterprise)

**Regd. Office:** India Habitat Centre, Core-4A East Court, 1<sup>st</sup> Floor, Lodhi Road, New Delhi-110 003  
Tel : 011-24682214, Fax : 91-11-24682202

**Corporate Office :** August Kranti Bhawan, 3<sup>rd</sup> Floor, Bhikaiji Cama Place, New Delhi-110 066  
Ph. : 011-26717400-12, Fax : 91-11-26717416

Website : [www.ireda.gov.in](http://www.ireda.gov.in)