

**RAMCO WINDFARMS LIMITED**

**ANNUAL REPORT**

**2013-2014**

# RAMCO WINDFARMS LIMITED

## Board of Directors

SHRI.A.V.DHARMAKRISHNAN

SHRI.K.SELVANAYAGAM

SHRI.S.VAITHIYANATHAN

## Bankers

HDFC Bank Limited

## Registered Office

"Auras Corporate Centre"  
98-A, Dr.Radhakrishnan Road, Mylapore  
Chennai – 600 004, Tamil Nadu

## Auditors

M/s.M.S.Jagannathan & N.Krishnaswami  
Chartered Accountants  
Unit-5, Ground Floor, Abirami Apartments  
No.14, VOC Road, Cantonment  
Tiruchirappalli – 620 001.

## Secretarial Auditors

M/s.S.Krishnamurthy & Co  
Company Secretaries  
"Shobana"  
9, Main Road, Nandanam Extension  
Chennai – 600 035.

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**RAMCO WINDFARMS LIMITED**  
**“AURAS CORPORATE CENTRE”, 98-A, DR.RADHAKRISHNAN ROAD,**  
**MYLAPORE, CHENNAI – 600 004**

**NOTICE TO THE MEMBERS**

Notice is hereby given that the 1<sup>st</sup> Annual General Meeting of the Company will be held at 11.00 A.M. on Wednesday, the 20<sup>th</sup> August 2014 at the Registered Office of the Company at “Auras Corporate Centre”, No:98-A, Dr.Radhakrishnan Road, Mylapore, Chennai – 600 004 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Statement of Profit & Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To appoint Auditors to hold Office from the conclusion of this Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting and to fix their remuneration.

In this connection to consider and, if thought fit, to pass with or without modification the following Resolution:

“RESOLVED that M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants be and hereby appointed as Statutory Auditors of the Company to hold Office from the conclusion of this Meeting till the conclusion of the 6<sup>th</sup> Annual General Meeting.

RESOLVED FURTHER that the Auditors shall be paid for the financial year 2014-15 and 2015-16 a remuneration of Rs.50,000/- (Rupees Fifty thousand only) per year, exclusive of out-of-pocket expenses and for the financial years 2016-17, 2017-18 and 2018-19 the Board of Directors are authorised to fix the remuneration.”

**SPECIAL BUSINESS**

3. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that Shri.A.V.Dharmakrishnan (DIN 00693181), appointed as Director in the Articles of Association of the Company, and who holds office until this Annual General Meeting, and in respect of whom a notice has been received by the Company in writing from a Member, proposing his candidature for the office of the Director, be and is hereby appointed as Director, liable to retire by rotation.”

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that Shri.K.Selvanayagam (DIN 05354935) who has been appointed as Additional Director and holds office until this Annual General Meeting, and in respect of whom a notice has been received by the Company in writing from a Member, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as an ORDINARY RESOLUTION:

“RESOLVED that Shri.S.Vaithyanathan (DIN 05353773) who has been appointed as Additional Director and holds office until this Annual General Meeting, and in respect of whom a notice has been received by the Company in writing from a Member, proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

NOTES:

- (i) A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member of the Company.
- (ii) Proxy Form is enclosed. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

By Order of the Board,  
For RAMCO WINDFARMS LIMITED,

  
A.V.DHARMAKRISHNAN  
DIRECTOR

CHENNAI  
22.05.2014

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL  
GENERAL MEETING

Mr.A.V.Dharmakrishnan

Mr.A.V.Dharmakrishnan, 56 years, Non Executive Director, is a member of Institute of Chartered Accountants of India and qualified as a Chartered Accountant in the year 1980. Mr. A.V. Dharmakrishnan has over 31 years of professional experience. He is currently the Chief Executive Officer of The Ramco Cements Limited (RCL). He joined RCL in the year 1982, has handled various assignments and rose to become its Chief Executive Officer.

Mr.A.V.Dharmakrishnan is also a Director in Rajapalayam Mills Limited, Ontime Industrial Services Limited, Ramco Systems Limited and Madurai Air Charters Limited. He has been on the Board of Ramco Windfarms Limited since its inception in 2013.

Mr.K.Selvanayagam

Mr.K.Selvanayagam, 56 years, Non Executive Director, is a member of Institute of Company Secretaries of India and qualified as a Company Secretary in the year 1982. Mr.K.Selvanayagam has more than 30 years of professional experience. He is currently the Secretary of The Ramco Cements Limited (RCL). He joined RCL in the year 1993.

Mr.K.Selvanayagam is also a Director in Ontime Industrial Services Limited. He has been on the Board of Ramco Windfarms Limited since May 2014.

Mr.S.Vaithyanathan

Mr.S.Vaithyanathan, 50 years, Non Executive Director, is a member of Institute of Chartered Accountants of India and qualified as a Chartered Accountant in the year 1989. Mr.S.Vaithyanathan has over 23 years of professional experience. He is currently the Vice President – Accounts & Audit of The Ramco Cements Limited (RCL). He joined RCL in the year 1990.

Mr.S.Vaithyanathan is also a Director in Ontime Industrial Services Limited. He has been on the Board of Ramco Windfarms Limited since May 2014.

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their 1<sup>st</sup> Annual Report and the Audited Accounts of the company for the period ended 31<sup>st</sup> March 2014.

### FINANCIAL RESULTS

		31.3.2014 (Rs. in lakhs)
1. Profit before Interest, Depreciation & Tax	..	-19.79
2. Interest and Finance Charges	..	0.00
3. Profit before Depreciation & Tax	..	-19.79
4. Depreciation for the year	..	14.08
5. Profit before Tax	..	-33.87
6. Provision for Taxation	..	
a) Current Tax	..	0.00
b) Deferred Tax	..	-10.97
7. Profit after Tax	..	-22.90
8. Balance Profit from last year	..	0.00
9. Balance carried over to Balance Sheet	..	-22.90

### INCORPORATION

The Company was incorporated on 26.11.2013 as a subsidiary of The Ramco Cements Limited. The Company had filed the Statement in lieu of Prospectus with Registrar of Companies on 11.2.2014 and obtained the Certificate of Commencement of Business on 13.2.2014.

### SHARE CAPITAL

The paid up capital of the Company is Rs.1,00,00,000/- consisting of 1,00,00,000 shares of Rs.1/- each.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company had acquired 121 Nos. of Wind Electric Generators with an aggregate capacity of 33.235 MW from The Ramco Cements Limited at a fair market value of Rs.31.395 crores.

The Company had entered into lease agreement with The Ramco Cements Limited for taking on lease of 637.645 acres of land for a period of 25 years for the purpose of running the wind farms.

The Company had also entered into necessary agreement with Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO), Chennai for wheeling of power from the Company's wind farms to the shareholder companies. The power so generated would be sold to the shareholder companies @ Rs.3.75 per unit.

#### DIRECTORS

As per the Articles of Association of the Company, the following were the first Directors.

1. Shri.P.R.Ramasubrahmaneya Rajha
2. Shri.P.R.Venketrama Raja
3. Shri.A.V.Dharmakrishnan

At the Board Meeting held on 22.5.2014, Shri.K.Selvanayagam and Shri.S.Vaithyanathan were co-opted as Additional Directors and will hold the office till the date of the forthcoming Annual General Meeting. A notice in writing has been received from a Member signifying his intention to propose the appointment of Shri.K.Selvanayagam and Shri.S.Vaithyanathan as Directors at the Annual General Meeting.

Shri.P.R.Ramasubrahmaneya Rajha and Shri.P.R.Venketrama Raja have resigned from the Board of Directors of the Company on 22.5.2014. The Directors place on record their valuable and constructive contribution in the Board during their association with the Company.

#### AUDITORS

M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants are the Auditors of the Company. Under Section 139 (1) of the Companies Act, 2013, the auditors are to be appointed for a block period of 5 consecutive years. Accordingly, M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants were proposed to be appointed as Auditors of the Company at the ensuing 1<sup>st</sup> Annual General Meeting till the conclusion of the 6<sup>th</sup> Annual General Meeting.

#### COMPLIANCE CERTIFICATE

The Compliance Certificate issued by M/s. S Krishnamurthy & Co., Company Secretaries pursuant to section 383A of the Companies Act, 1956 is attached.

#### STATUTORY INFORMATION

The Company has not accepted deposits from Public.

The provisions relating to Cost Audit, Conservation of Energy, Technology Absorption, etc. are not applicable.

The Company has no employees to report under Companies (Particulars of Employees) Rules, 1975.

The Company has no foreign exchange earnings and outgo.

#### DIRECTORS' RESPONSIBILITY STATEMENT


The Directors confirm that –

- \* In the preparation of the annual accounts for the year ended 31st March 2014, the applicable accounting standards had been followed;
- \* The selected accounting policies were applied consistently and judgments and estimates that are reasonable and prudent were made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- \* Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act had been taken for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- \* The Annual Accounts were prepared on a going concern basis.

#### ACKNOWLEDGEMENT

The Directors are grateful to the Holding Company, various Departments and agencies of the Central and State Governments for their help and co-operation. They are thankful to the Banks for their help, assistance and guidance. The Directors wish to place on record their appreciation of employees at all levels for their commitment and their contribution.

On behalf of the Board of Directors,  
For RAMCO WINDFARMS LIMITED,

  
A.V.DHARMAKRISHNAN  
DIRECTOR

CHENNAI  
22-05-2014

K.SELVANAYAGAM  
DIRECTOR



# **INDEPENDENT AUDITORS' REPORT**

**To the Members of M/s Ramco Windfarms Limited**

## **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. Ramco Windfarms Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

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

The 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") read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, but not for the

purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- b) In the case of the Statement of Profit and Loss, of the loss for the period ended on that date; and
- c) In the case of the Cash Flow Statement, of the Cash Flows for the period ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (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:
  - 2.1. 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;

2.2. 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;

2.3. 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;

2.4. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with General Circular No 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013; and

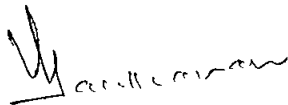
2.5. on the basis of written representations received from the Directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section(1) of Section 274 of the Companies Act, 1956.

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For M.S. JAGANNATHAN & N. KRISHNASWAMI

Chartered Accountants

Firm Registration No.: 001208S



P. Santhanam

Partner

Membership No.: 018697

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Chennai

22<sup>nd</sup> May, 2014

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## **Annexure to the Auditors' Report**

Annexure referred to in item no. 1 of paragraph 'Report on Other Legal and Regulatory Requirements'.

In our opinion and to the best of knowledge and belief as per the information and explanation given to us and on the basis of the books and records examined by us in the normal course of audit, we report that:

### **1. Fixed assets**

- 1.1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1.2. The management at reasonable intervals has physically verified the fixed assets of the company and no material discrepancies were noticed on such verification.
- 1.3. No fixed assets disposed during the period and therefore, do not affect the going concern assumption.

### **2. Inventories**

The company is a service company, primarily involved in generation of power from windmills. Accordingly, it does not hold any physical inventory. Thus, paragraph 4(ii) of the order is not applicable.

### **3. Loans and advances**

The company has neither granted nor taken any loan to the parties covered under section 301 of the Companies Act, 1956.

### **4. The company has an internal control system which is adequate and commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.**

### **5. Section 301 contracts**

- 5.1. Particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.

5.2. The transaction made in pursuance of contracts and arrangement referred to in 5.1 above and exceeding value of Rs. 5 Lakhs have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The company has not accepted deposits from the public and the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, where applicable have been complied with.

7. The company has an internal audit system commensurate with its size and nature of business.

8. No cost accounts and the records is prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and hence the paragraph 4(viii) of the order is not applicable.

9. Statutory dues

9.1. The company is regular in depositing undisputed statutory dues with the appropriate authorities.

10. The company is registered for a period of less than 5 years and hence the paragraph 4(x) of the order is not applicable.

11. The company has not defaulted in repayment of dues to financial institutions, banks or debentures holders during the period.

12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

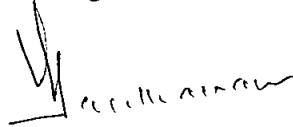
13. The company is not a chit fund /nidhi/mutual benefit fund/society. Therefore, the provisions of paragraph 4(xiii) of the order are not applicable to the company.

14. The company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of paragraph 4(xiv) of the order are not applicable to the company.

15. The company has not given any guarantee in respects of loan taken by others from banks or financial institution.
16. The Company has not raised term loans during the period.
17. The Company has not raised any funds on short-term basis.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has no outstanding amount under Debentures that require creation of security/charge during the period.
20. The company has not raised any money by way of public issues during the period.
21. No material fraud on or by the company has been noticed or reported during the course of audit.

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For M.S. JAGANNATHAN & N. KRISHNASWAMI  
Chartered Accountants  
Firm Registration No.: 001208S



P.SANTHANAM  
Partner  
Membership No.: 018697

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Chennai  
22<sup>nd</sup> May, 2014

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**RAMCO WINDFARMS LIMITED**

**STANDALONE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2014**

Rs. in Lakhs

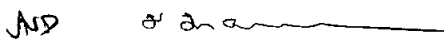
	Notes	As at 31-03-2014
<b>EQUITY &amp; LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	3	100.00
Reserves and Surplus	4	(22.90)
		<u>77.10</u>
<b>Current Liabilities</b>		
Trade Payables	5	3,139.78
		<u>3,139.78</u>
<b>Total</b>		<u><u>3,216.88</u></u>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>		
Tangible Assets	6	3,125.42
Deferred Tax Asset (Net)	7	10.97
		<u>3,136.39</u>
<b>Current Assets</b>		
Cash and Bank Balances	8	79.50
Short Term Loans and Advances	9	0.69
Other Current Assets	10	0.30
		<u>80.49</u>
<b>Total</b>		<u><u>3,216.88</u></u>

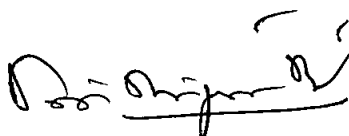
See accompanying notes to the financial statements

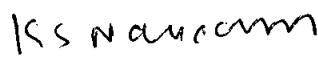
As per our report annexed  
For M.S Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration Number:001208S

  
P.SANTHANAM  
Partner  
Membership No. 18697

Chennai  
22-05-2014





  
Directors

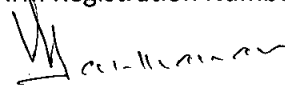
**RAMCO WINDFARMS LIMITED**

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

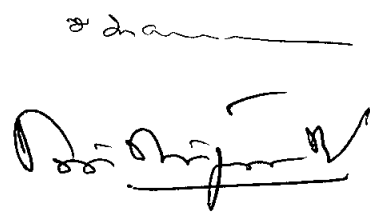

		Rs. in Lakhs
<b>REVENUE</b>	<b>Notes</b>	<b>2013-14</b>
Revenue from Operations	11	0.30
Other Income	12	0.78
<b>Total Revenue</b>		<b>1.08</b>
<b>EXPENSES</b>		
Depreciation and Amortization Expenses	6	14.08
Other Expenses	13	20.87
<b>Total Expenses</b>		<b>34.95</b>
<b>Profit Before Tax</b>		<b>(33.87)</b>
<b>Tax Expenses</b>		
Current Tax		-
Deferred Tax	7	(10.97)
<b>Total Tax Expenses</b>		<b>(10.97)</b>
<b>Profit for the year</b>		<b>(22.90)</b>
<b>Earning Per equity share of face value of Re.1 each</b>		
Basic in Rupees	17	(0.23)

See accompanying notes to the financial statements

As per our report annexed  
For M.S Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration Number:001208S

  
P.SANTHANAM  
Partner  
Membership No.18697

Chennai  
22-05-2014

AND   


Directors



**RAMCO WINDFARMS LIMITED**

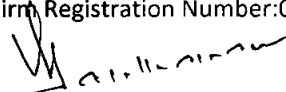
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2014**

Rs. in Lakhs

		2013-14
<b>Cash flow from operating activities</b>		
<b>Net profit, before tax and extraordinary items</b>		<b>(33.87)</b>
Adjustments for:		
Depreciation		14.08
Interest received		(0.78)
<b>Operating profit before working capital changes</b>		<b>(20.57)</b>
Adjustments for:		
Trade and other receivables		(0.99)
Trade payables		3139.78
<b>Cash generated from operations</b>		<b>3118.22</b>
<b>Net cash from operating activities</b>	<b>A</b>	<b>3118.22</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets		(3139.50)
Interest received		0.78
<b>Net cash used in investing activities</b>	<b>B</b>	<b>(3138.72)</b>
<b>Cash flow from financing activities</b>		
Proceeds from Issue of Shares		100.00
<b>Net cash from financing activities</b>	<b>C</b>	<b>100.00</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>79.50</b>
Opening balance of cash and cash equivalents	<b>D</b>	0.00
Closing balance of cash and cash equivalents	<b>E</b>	79.50
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(E-D)</b>	<b>79.50</b>
Earmarked Balances with Banks	<b>F</b>	0.00
<b>Closing cash and Bank Balance</b>	<b>(E+F)</b>	<b>79.50</b>

See accompanying notes to the financial statements

As per our report annexed  
For M.S Jagannathan & N.Krishnaswami  
Chartered Accountants  
Firm Registration Number:001208S

  
P.SANTHANAM  
Partner  
Membership No. 18697

Chennai  
22-05-2014

  
  
K.S.NARAYANA  
Directors

## **Ramco Windfarms Limited**

### **Notes forming part of the Financial Statements:**

#### **1. Corporate information**

Ramco Windfarms Limited is a public limited company domiciled and headquartered in India and incorporated under the provisions of Companies Act. It is an unlisted company engaged in sale of electricity generated from its windmills. It is a subsidiary company of "The Ramco Cements Limited".

#### **2. Significant Accounting Policies:**

##### **2.1 Basis of preparation and presentation of financial statements**

2.1.1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and in compliance of the Accounting Standards notified under section 211(3C) of the Companies Act, 1956, which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13-9-2013 of the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013, as applicable, as adopted consistently by the Company.

2.1.2 The financial statements are presented in Indian Rupees and the amounts are rounded to the nearest Lakhs with two decimals, except as stated otherwise.

2.1.3 The company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2.1.4 The company has considered its operating cycle as 12 months for the purpose of Current or Non-current classification of assets and liabilities.

2.1.5 The company was incorporated on 26<sup>th</sup> Nov 2013 and hence previous year figures could not be presented for comparison as company started its operation in current financial year 2013-14.

##### **2.2 Use of Estimates**

The preparation of financial statements in accordance with the generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates in the future periods.

##### **2.3 Tangible Fixed assets**

2.3.1 Tangible Fixed Assets are stated at cost of acquisition less accumulated depreciation / amortisation and impairment losses if any. The cost comprises purchase price, borrowing cost if

capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the asset beyond its previously assessed standard of performance.

- 2.3.2 Depreciation has been provided on straight-line basis at the rates specified as per Schedule XIV to the Companies Act, 1956, prevailing at the time of acquisition of the asset.

## **2.4 Impairment of Assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired.

## **2.5 Revenue recognition**

- 2.5.1 Revenue is recognised to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- 2.5.2. Revenue from Sale of products is recognised when the significant risks and rewards of ownership of the goods or services have been passed to the buyer.
- 2.5.3 Revenue from interest is recognised on time proportion basis.
- 2.5.4 Units generated from windmills are sold at the contracted rate and the income is included in "Revenue from operations".

## **2.6 Earnings per share**

Net profit after tax is divided by the weighted average number of equity shares outstanding during the year.

## **2.7 Income-tax**

- 2.7.1 The tax provision is considered as stipulated in relevant accounting standard and includes current and deferred tax asset. The current tax liability is recognised at applicable tax rates. The deferred tax asset & deferred tax liability is recognised based on the accumulated timing difference using the tax rate that have been enacted or substantially enacted by the balance sheet date.
- 2.7.2 The deferred tax assets are recognised and reviewed at each balance sheet date, only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## **2.8 Leases**

- 2.8.1 Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the Lessor are recognised as operating lease.
- 2.8.2 Operating lease receipts / payments are recognised in the statement of profit and loss on accrual basis as per the lease terms and other considerations.

**Note 3 Share Capital**

Rs. in Lakhs

As at  
31-03-2014**Authorised**

1,00,00,000 Equity Shares of Re.1/- each 100.00

**Issued, Subscribed and fully paid-up**

1,00,00,000 Equity Shares of Re.1/- each 100.00

**Reconciliation of the number of shares outstanding:**As at  
31-03-2014

Number of equity shares outstanding at the beginning of the year	-
Equity shares issued during the year	10,000,000
Equity shares bought back during the year	-
Number of Equity shares outstanding at the end of the year	10,000,000

As at  
31-03-2014**Details of Shareholders holding more than 5 percent in the Company:**

	No. of Shares	% of Holding
<u>Holding Company :</u>		
The Ramco Cements Limited	7,150,000.00	71.50%
<u>Others :</u>		
Rajapalyam Mills Limited	550,000.00	5.50%
The Ramraju Surgical Cotton Mills Limited	700,000.00	7.00%
Sri Vishnu Shankar Mill Limited	575,000.00	5.75%

Rs. In Lakhs

As at  
31-03-2014

Note No

<b>4</b>	<b>Reserves and surplus:</b>		
	<b>Surplus/(Deficit) in the statement of profit and loss:</b>		
	Profit / (Loss) for the year	(22.90)	
	Net deficit in the statement of profit and loss		<u>(22.90)</u>
	<b>Total</b>		<u><u>(22.90)</u></u>
<b>5</b>	<b>Trade Payables</b>		
	Trade Payables-Related Parties (Ref.Note:16)	3139.50	
	Other Trade Payables	<u>0.28</u>	
			<u><b>3139.78</b></u>
	<b>Total</b>		<u><u><b>3139.78</b></u></u>

## NOTE 6

## Fixed Assets

Rs. in Lakhs

	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1-4-2013	Additions	Deductions / adjustments	As at 31-3-2014	As at 1-4-2013	For the year	Deductions / adjustments	Upto 31-3-2014	As at 31-3-2014	As at 31-3-2013
<b>TANGIBLE ASSETS</b>										
<b>Own assets</b>										
Plant & Equipments	0.00	3139.50	0.00	3139.50	0.00	14.08	0.00	14.08	3125.42	0.00
<b>Total - Tangible Assets</b>	<b>0.00</b>	<b>3139.50</b>	<b>0.00</b>	<b>3139.50</b>	<b>0.00</b>	<b>14.08</b>	<b>0.00</b>	<b>14.08</b>	<b>3125.42</b>	<b>0.00</b>

Note 7	Deferred Tax Asset (Net)	Rs. in Lakhs	
		As at 31-03-2014	
	<b>Deferred Tax Asset</b>		
	Tax impact on timing difference (net)	4.76	
	Tax impact on Carry Forward Loss	6.21	10.97
	<b>Deferred Tax Asset (Net)</b>		<b>10.97</b>



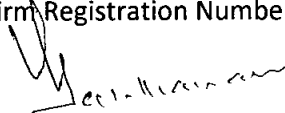
## Note No

<b>8</b>	<b>Cash and Bank Balance:</b>	
	<b>Cash and Cash Equivalents</b>	
	Balance in current account	9.50
	<b>Other Bank Balances</b>	
	Term Deposits (*)	70.00
	<b>Total</b>	<u><u>79.50</u></u>
	(*) Short term fixed deposit	
<b>9</b>	<b>Short Term Loans and advances:</b>	
	<b>Unsecured and Considered Good</b>	
	Advance income tax paid, TDS and refund receivable	0.08
	Interest Receivable on Fixed Deposits	0.61
	<b>Total</b>	<u><u>0.69</u></u>
<b>10</b>	<b>Other Current Assets :</b>	
	Unbilled Revenue	0.30
	<b>Total</b>	<u><u>0.30</u></u>

2013-14

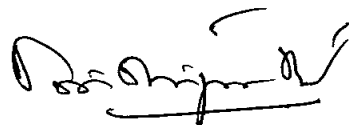
Note No		2013-14
11	<b>Revenue from operations:</b>	
	<b>Sale of products</b>	
	Power generated from Wind Mills	0.30
	<b>Revenue from operations</b>	<u>0.30</u>
12	<b>Other Income:</b>	
	Interest income	0.78
	<b>Total</b>	<u>0.78</u>
13	<b>Other expenses:</b>	
	<b>Establishment Expenses</b>	
	IT & Communication expenses	0.01
	General Administration Expenses	20.56
	Miscellaneous Expenses	0.01
	Bank Charges	0.01
	Auditor Remuneration and expenses (Ref.Note:14)	0.28
		<u>20.87</u>
	<b>Total</b>	<u>20.87</u>

As per our report annexed  
 For M.S Jagannathan & N.Krishnaswami  
 Chartered Accountants  
 Firm Registration Number:001208S

  
 P.SANTHANAM  
 Partner  
 Membership No. 18697

Chennai  
 22-05-2014

AVD



K S Narayana  
 Directors

Rs. in Lakhs

<b>14.</b>	Auditor remuneration (excluding Service Tax) & expenses:	<b>2013-14</b>
	<u>Statutory Auditor:</u>	
	a. As Auditor	<b>0.28</b>
	b. For Taxation matters	-
		<b>0.28</b>

**15.** There are no dues to Micro and Small Enterprises as at 31-3-2014 (PY: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

**16.** The company purchased 121 wind electric generators with an aggregate capacity of 33.23 MW from its holding company viz., "The Ramco Cements Limited" at the fair market value of Rs.3139.50 Lakhs including taxes. As on the Balance Sheet date the amount remains un-paid. The company is proposing to avail suitable long term borrowings from banks to repay the dues to the Holding company.

**17.** Earnings per Share:

Particulars	2013-14
Net profit / (Loss) after tax (A)	<b>(22.90)</b>
Weighted average number of Equity shares (B)	<b>100.00</b>
Nominal value per equity share in Re.	<b>1</b>
Basic earnings per share (A)/(B) in Rs.	<b>(0.23)</b>

**18.** Related party transactions:

Key Management personnel by virtue of authority and responsibility for planning, directing and controlling the activities:

P.R.Ramasubrahmaneya Rajha, Director

A.V.Dharmakrishnan, Director

Relative of Key Management personnel:

P.R.Venketrama Raja, Director, Son of P.R.Ramasubrahmaneya Rajha

Enterprises over which the above persons exercise significant influence and with which the company had or agreed to have transactions:

Name of Companies:

The Ramco Cements Limited  
Rajapalayam Mills Ltd  
Sri Vishnu Shankar Mill Ltd  
The Ramaraju Surgical Cotton Mills Ltd  
Sandhya Spinning Mill Ltd  
Ramco Industries Limited  
Thanjavur Spinning Mill Limited  
Rajapalayam Textile Limited

Lease agreement:

Lessor	:	The Ramco Cements Limited
Nature of Relationship	:	Holding Company
Lease Type	:	Operating Lease for Land
Lease period	:	18-3-2014 to 31-3-2039
Lease Rent applicability	:	1-4-2014 to 31-3-2039
Lease Rent paid for the year	:	Nil
Outstanding as on 31-3-2014	:	Not applicable

Purchase of Fixed assets:

Purchased from	:	The Ramco Cements Limited
Nature of Relationship	:	Holding Company
Details of Fixed assets	:	Wind mills (Plant & equipments)
Aggregate capacity of windmills	:	33.235 MW
Purchase value	:	Rs.3139.50 Lacs
Basis of purchase consideration	:	Fair Market value
Outstanding payable as on 31-3-2014	:	Rs. 3139.50 Lacs

**PROXY FORM**

**RAMCO WINDFARMS LIMITED**

(CIN:U40109TN2013PLC093905)

Regd. Office: "Auras Corporate Centre", No:98-A, Dr.Radhakrishnan Road,  
Mylapore, Chennai – 600 004. TAMIL NADU.

Name of the Member(s) :  
Registered address :  
E-mail ID :  
Folio No/DP ID - Client ID :

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56<sup>th</sup> Annual general meeting of the company, to be held on the Wednesday, the 20<sup>th</sup> August 2014 at 11.00 AM at "Auras Corporate Centre", No:98-A, Dr.Radhakrishnan Road, Mylapore, Chennai – 600 004, Tamil Nadu and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions
<b>Ordinary Business</b>	
1	Adoption of Financial Statements for the period ended 31 <sup>st</sup> March 2014
2	Appointment of M/s.M.S.Jagannathan & N.Krishnaswami, Chartered Accountants as Auditors
<b>Special Business</b>	
3	Appointment of Shri.A.V.Dharmakrishnan as Director
4	Appointment of Shri.K.Selvanayagam as Director
5	Appointment of Shri.S.Vaithyanathan as Director

Signed this \_\_\_\_\_ day of July / August 2014

Affix  
Revenue  
Stamp

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

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

Note: 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.