

DANU WIND PARKS PRIVATE LIMITED			
BALANCE SHEET AS AT MARCH 31, 2020			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
PARTICULARS	Note No.	Balance as at	
		March 31, 2020	March 31, 2019
I. EQUITY AND LIABILITIES			
Share holders' Funds			
(a) Share Capital	3	85,70,00,000	85,70,00,000
(b) Reserves and Surplus	4	(12,57,78,695)	(5,91,61,607)
Non Current Liabilities			
(a) Long Term Borrowings	5	2,84,57,40,800	2,88,77,57,600
(b) Deferred Tax Liabilities	6	11,92,80,379	4,64,53,245
Current Liabilities			
(a) Short Term Borrowings	7	3,26,60,231	1,56,88,492
(b) Trade Payables	8	2,84,96,247	81,31,520
(c) Other Current Liabilities	9	20,80,59,864	13,60,47,296
(d) Short Term Provisions	10	3,15,327	3,22,801
Total		3,96,57,74,153	3,89,22,39,346
II. ASSETS			
Non Current Assets			
(a) Fixed Assets			
i) Tangible Assets	11	3,30,50,74,576	3,46,77,27,912
(b) Long Term Loans and Advances	12	2,66,61,727	3,00,00,000
Current Assets			
(a) Trade Receivables	13	48,57,18,460	20,90,58,872
(b) Cash and Cash Equivalents	14	47,45,209	13,67,29,956
(c) Other Current Assets	15	14,35,74,180	4,87,22,606
Total		3,96,57,74,153	3,89,22,39,346
See accompanying notes to financial statements			
<p>As per our report of even date For Umamaheswara Rao & Co., Chartered Accountants</p> <p>For and on behalf of the Board</p> <p>S. Venugopal Partner M.No. 205565 Firm Registration No. 0044535 UDIN: 20205565AAAAEJ1241 Place: Hyderabad Date: November 25, 2020</p> <p>Yerneni Lakshmi Prasad Director DIN:02320060</p> <p>Venkata Sunil Kumar Talla Director DIN:02247464</p>			

DANU WIND PARKS PRIVATE LIMITED			
Statement of Profit and Loss for the Year ended March 31, 2020			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
PARTICULARS	Note No.	For the year ended	
		March 31, 2020	March 31, 2019
INCOME			
Revenue from Operations	16	61,12,31,781	68,93,82,927
Other Income	17	17,24,557	53,00,345
Total Revenue		61,29,56,338	69,46,83,272
EXPENDITURE			
Operational and Maintenance	18	7,26,24,439	4,86,27,676
Administration and Other Expenses	19	56,95,036	14,30,87,995
Finance Cost	20	36,24,13,471	33,88,34,223
Depreciation and Amortisation Expenses	11	16,26,53,336	16,22,08,928
Total Expenses		60,33,86,283	69,27,58,822
Profit Before Tax		95,70,055	19,24,450
Tax Expense :			
a) Income Tax			
Current Year		-	6,27,120
Earlier Year		-	-
b) MAT Credit		33,60,009	(6,27,120)
c) Deferred Tax		7,28,27,134	4,64,53,245
		7,61,87,143	4,64,53,245
Profit/(loss) from continuing operations for the year		(6,66,17,088)	(4,45,28,795)
Profit/(loss) from discontinuing operations after tax		-	-
Profit / (Loss) for the Year		(6,66,17,088)	(4,45,28,795)
Earnings per share of Face Value of Rs.10 each	26		
Basic		(1.15)	(0.77)
Diluted		(1.15)	(0.77)
See accompanying notes to financial statements			
<p>As per our report of even date For Umamaheswara Rao & Co., Chartered Accountants</p> <p>For and on behalf of the Board</p> <p>S. Venugopal Partner M.No. 205565 Firm Registration No. 0044535 UDIN: 20205565AAAAEJ1241</p> <p>Yerneni Lakshmi Prasad Director DIN:02320060</p> <p>Venkata Sunil Kumar Talla Director DIN:02247464</p> <p>Place: Hyderabad Date: November 25, 2020</p>			

DANU WIND PARKS PRIVATE LIMITED		
Cash Flow Statement for the Year ended March, 2020		
(All amounts in Indian Rupees, except share data and where otherwise stated)		
PARTICULARS	Year ended	
	March 31, 2020	March 31, 2019
A. Cash Flows from Operating Activities		
Profit Before Tax	95,70,055	19,24,450
Adjustments for :		
Depreciation	16,26,53,336	16,22,08,928
Bad Debts written off	-	13,76,05,220
Finance cost	36,24,13,471	33,88,34,223
Interest Income	(17,24,557)	(53,00,345)
Lease Rental	33,38,273	-
Operating profit before working capital changes	53,62,50,579	63,52,72,476
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables	(27,66,59,587)	(29,74,74,758)
(Increase)/Decrease in Other current assets	(9,82,32,494)	1,40,49,101
Increase / (Decrease) in Trade and Other Payables	2,42,97,923	(8,74,64,042)
Increase / (Decrease) in Provision	89,611	(1,45,841)
Cash generated from operations	18,57,46,031	26,42,36,936
Income Tax (Paid)/Refund	(76,173)	(27,28,001)
Net Cash from Operating Activities	18,56,69,857	26,15,08,935
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	-	-
(Increase)/Decrease in Work in progress	-	-
Interest Income	17,24,557	53,00,345
Net Cash from/(used in) Investing Activities	17,24,557	53,00,345
C. Cash Flows from Financing Activities		
Increase/(Decrease) in Long Term Borrowings	(23,91,200)	3,71,78,000
Increase/(Decrease) in Short Term Borrowings	1,69,71,740	(2,99,76,873)
Payment of finance cost	(33,39,59,699)	(34,81,59,487)
Net Cash from/(used in) Financing Activities	(31,93,79,160)	(34,09,58,360)
Net Increase in Cash and Cash equivalents during the Period (A+B+C)	(13,19,84,745)	(7,41,49,080)
Cash and Cash equivalents at the beginning of the Period	13,67,29,956	21,08,79,036
Cash and Cash equivalents at the end of the Period	47,45,209	13,67,29,956
Note:		
Cash and Cash Equivalents		
Cash in Hand	10,303	10,303
Balances with Banks		
(a) Current Accounts	47,34,906	13,67,19,653
	47,45,209	13,67,29,956
As per our report of even date		
For Umamaheswara Rao & Co.,		
Chartered Accountants		
For and on behalf of the Board		
S. Venugopal	Yeshant Lakshmi Prasad	Venkata Sunil Kumar Talla
Partner	Director	Director
M.No. 205565	DIN:02320060	DIN:02247464
Firm Registration No. 004453S		
UDIN: 20205565AAAAEJ1241		
Place: Hyderabad		
Date: November 25, 2020		

DANU WIND PARKS PRIVATE LIMITED										
Notes forming part of the financial statements										
11 FIXED ASSETS										
S.No	Particulars	Gross Block			Depreciation			Net Block		
		As on 01.04.2019	Additions during the year	Deletions during the year	As on 31.03.2020	As on 01.04.2019	For the year	Adjustment/ Deletions	As on 31.03.2020	
A.	Tangible Assets									
	Land	2,77,21,120	-	-	2,77,21,120	-	-	-	2,77,21,120	2,77,21,120
	Plant & Machinery (Wind Mills)	3,75,64,17,284	-	-	3,75,64,17,284	31,64,10,492	16,26,53,336	-	3,27,73,53,456	3,44,00,06,792
	Total A	3,78,41,38,404	-	-	3,78,41,38,404	31,64,10,492	16,26,53,336	-	3,30,50,74,576	3,46,77,27,912
B.	Intangible Assets	-	-	-	-	-	-	-	-	-
	Total B	-	-	-	-	-	-	-	-	-

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DANU WIND PARKS PRIVATE LIMITED

Notes forming part of the financial statements

(All amounts in Indian Rupees, except share data and where otherwise stated)

PARTICULARS		Balance as at	
		March 31, 2020	March 31, 2019
3 Share Capital			
(a) Authorised share Capital			
(i) Authorised Equity Share Capital			
6,13,70,000 (31st March, 2019 : 6,13,70,000) shares of Rs.10/- each		61,37,00,000	61,37,00,000
(ii) Authorised Compulsorily Convertible Preference Share Capital			
2,79,30,000 (31st March, 2019 : 2,79,30,000) shares of Rs.10/- each		27,93,00,000	27,93,00,000
		89,30,00,000	89,30,00,000
(b) Issued, Subscribed & Paid Up Capital			
(i) Issued, Subscribed & Paid Up Equity Share Capital			
5,77,70,010 (31st March, 2019 : 5,77,70,010) shares of Rs.10/- each		57,77,00,100	57,77,00,100
(ii) Issued, Subscribed & Paid Up 0.01% Compulsorily Convertible Preference Share Capital			
2,79,29,990 (31st March, 2019 : 2,79,29,990) shares of Rs.10/- each		27,92,99,900	27,92,99,900
		85,70,00,000	85,70,00,000
Notes:			
(a) Reconciliation of number of equity shares outstanding			
<i>Outstanding shares at the beginning of the Period</i>		5,77,70,010	5,77,70,010
<i>Add: Shares issued during the period</i>		-	-
<i>Less: Shares bought back during the period</i>		-	-
<i>Outstanding shares at the ending of the Period</i>		5,77,70,010	5,77,70,010
(b) Reconciliation of number of Preference shares outstanding			
<i>Outstanding shares at the beginning of the period</i>		2,79,29,990	2,79,29,990
<i>Add: Shares issued during the period</i>		-	-
<i>Less: Shares bought back during the period</i>		-	-
<i>Outstanding shares at the ending of the period</i>		2,79,29,990	2,79,29,990
(c) Particulars of equity share holders holding more than 5% of the shares			
<i>Name of the Equity Share holder</i>	<i>No. of Shares held</i>	<i>No. of Shares held</i>	
Ecoren One Wind Energy Private Limited	5,77,70,000	5,77,70,000	
(% of holding)	99.99998%	99.99998%	
(d) Particulars of Preference share holders holding more than 5% of the shares			
<i>Name of the Preference Share holder</i>	<i>No. of Shares held</i>	<i>No. of Shares held</i>	
Ecoren One Wind Energy Private Limited	2,79,29,990	2,79,29,990	
(% of holding)	100%	100%	
(e) Particulars of shares held by holding company			
Equity shares	<i>No. of Shares held</i>	<i>No. of Shares held</i>	
Ecoren One Wind Energy Private Limited (including nominee shares)	5,77,70,010	5,77,70,010	
(% of holding)	100%	100%	
Preference shares			
Ecoren One Wind Energy Private Limited	2,79,29,990	2,79,29,990	
(% of holding)	100%	100%	
4 Reserves and Surplus			
Surplus in Statement of Profit and Loss			
Opening balance	(5,91,61,607)	(1,46,32,813)	
Add : (Loss)/Profit for the year	(6,66,17,088)	(4,45,28,795)	
Less: Amount Utilised during the year			
Closing Balance	(12,57,78,695)	(5,91,61,607)	



5	Long Term Borrowings	Balance as at	
		March 31, 2020	March 31, 2019
	Secured		
	Term Loans		
	From Financial Institutions *	2,50,77,40,800	2,54,97,57,600
	Unsecured		
	Debentures		
	9% Compulsory Convertible Debentures of Rs 100/- each **	33,80,00,000	33,80,00,000
		2,84,57,40,800	2,88,77,57,600
<p>*Loans from Financial Institutions:</p> <p>(a) PTC India Financial Services Limited - Dhone</p> <p>(i) PTC India Financial Services Limited has sanctioned Loan amount of Rs 117 Crores to Danu Wind Parks Private Limited out of which an amount of Rs.114.96 crores was disbursed during the FY 2016-17 and Rs. 2.04 crores in FY 2017-18</p> <p>(ii) The Loan was sanctioned for the purpose of Development, Construction and Operation of 22.4 MW (14 * 1.6 MW) wind based power project in Kurnool District of Andhra Pradesh.</p> <p>(iii) The facility shall be repaid in up to 58 structured quarterly installments (14.5 years) and the repayment shall be the first day of the beginning of each quarter.</p> <p>(iv) The company has agreed to pay interest monthly at a rate of 12.75% p.a., reduced to 12.50% p.a. and further reduced to 12.25% p.a.</p> <p>(v) Mortgage of all Immovable Properties. Hypothecation of all movable assets including current assets. Personal guarantee by Director (Mr. Lakshmi Prasad Yerneni). Pledge of 100% equity shares, CCPS and CCDS. Corporate guarantee of M/s Ecoren Energy India Private Limited (ultimate Indian Holding Company).</p> <p>vi) a) Principal Due as on 31-03-2020 : Nil *</p> <p>b) Interest Accrued and due as on 31-03-2020 :</p> <p>i) Interest Due : Nil*</p> <p>ii) Penal Interest : Nil</p> <p>* As per guidelines issued by RBI relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 03,2020 and in accordance therewith, the company availed the COVID moratorium facility for the payment of principal and interest falling due between March 1, 2020 and August 31, 2020.</p> <p>(b) PTC India Financial Services Limited - Nelakote</p> <p>(i) PTC India Financial Services Limited has sanctioned Loan amount of Rs. 169 Crores to Danu Wind Parks Private Limited out of which an amount of Rs.122.91 crore was disbursed during the FY 2016-17 , Rs. 24 crore in FY 2017-18 , Rs.13 crore in FY 2018-19 and Rs. 9.09 crores in FY 2019-20.</p> <p>(ii) The Loan was sanctioned for the purpose of Development, Construction and Operation of 25.3 MW (11 * 2.3 MW) wind based power project in Ananthapur District of Andhra Pradesh.</p> <p>(iii) The facility shall be repaid in up to 62 structured quarterly installments (15.5 years) and the repayment shall be the first day of the beginning of each quarter.</p> <p>(iv) The company has agreed to pay interest monthly at a rate of 11.75% p.a</p> <p>(v) Mortgage of all Immovable Properties. Hypothecation of all movable assets including current assets. Personal guarantee by Director (Mr. Lakshmi Prasad Yerneni). Pledge of 100% equity shares, CCPS and CCDS. Corporate guarantee of M/s Ecoren Energy India Private Limited (ultimate Indian Holding Company).</p> <p>vi) a) Principal Due as on 31-03-2020 : Nil *</p> <p>b) Interest Accrued and due as on 31-03-2020 :</p> <p>i) Interest Due : Nil *</p> <p>ii) Penal Interest : Nil *</p> <p>* As per guidelines issued by RBI relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 03,2020 and in accordance therewith, the company availed the COVID moratorium facility for the payment of principal and interest falling due between March 1, 2020 and August 31, 2020.</p> <p>**Compulsory Convertible Debentures (CCDS)</p> <p>The CCDs have been taken for Nelakota Project.</p> <p>The CCDS have been issued on 31st March, 2017 and shall be eligible for conversion into equity shares of the company on completion of the period of 10 years from the date of issuance on the conversion factor of 1:10 such that each CCDS shall be converted into 10 equity shares of Rs. 10/- each. CCDS contains a coupon rate of 9% which shall be paid annually on or before september 30th of the succeeding year.</p> <p>The Interest shall be paid by the Company with specific approval from the lenders and in the event the company is not able to pay the CCDs Interest in full/part in a particular year, the unpaid balance shall get automatically waived. The Interest on the CCDs in the first financial year shall accrued on a pro rata basis for the period commencing from the date of declaration of commercial operations till 31st March of the financial year.</p> <p>During 2019-20, the Company has not provided for Interest on Compulsorily Convertible Debentures as there is no availability of distributable cash.</p>			



PARTICULARS		Balance as at	
		March 31, 2020	March 31, 2019
6	Deferred Tax Liability		
	Deferred Tax Liability	11,92,80,379	4,64,53,245
		11,92,80,379	4,64,53,245
7	Short Term Borrowings		
	(Secured)		
	From Financial Institutions *	1,50,74,000	-
	(Unsecured)		
	Loans and Advances from Related Parties	1,75,86,231	1,56,88,491
		3,26,60,231	1,56,88,491
* Loan From Financial Institutions			
(i) During year Indian Renewable Energy Development Agency Limited has sanctioned Bridge loan of Rs. 150.74 Lakhs which shall be paid by the company/adjusted against company claims for Generation Based Incentive (GBI) for Project Registration No. NGB0385.			
(ii) The bridge loan shall carry interest @10.80% per annum and shall be paid by the company/adjusted from GBI claim amount received from MNRE.			
(iii) The above loan shall be secured by way of charge on GBI Claims receivables from MNRE.			
8	Trade Payables		
	Dues to parties other than Micro and Small enterprises	2,84,96,247	81,31,520
		2,84,96,247	81,31,520
9	Other Current Liabilities		
	Current Maturities of Long Term Debt	16,61,46,000	12,65,20,400
	Interest accrued and but not due on borrowings	2,84,53,773	-
	Statutory Liabilities	34,14,975	1,92,465
	Other Current Liabilities	27,96,186	20,85,500
	Creditors for Capital works	72,48,931	72,48,931
		20,80,59,864	13,60,47,296
10	Short Term Provisions		
	Provision for Expenses	3,15,327	2,25,716
	Provision for Income Tax	-	97,085
		3,15,327	3,22,801
12	Long Term Loans & Advances		
	(unsecured, considered good)		
	Advance for Land Lease (Refer note no. 25)	2,66,61,727	3,00,00,000
		2,66,61,727	3,00,00,000
13	Trade Receivables (Refer note no. 29)		
	(Unsecured)		
	Outstanding for a period exceeding six months	38,31,30,557	-
	Trade receivables	10,25,87,902	20,90,58,872
		48,57,18,460	20,90,58,872
14	Cash and Cash Equivalents		
	Cash on Hand	10,303	10,303
	Balances with Banks		
	(a) Current Accounts	47,34,906	13,67,19,653
		47,45,209	13,67,29,956
15	Other Current Assets		
	Income Tax Refund	1,70,305	1,91,216
	MAT Credit	-	33,60,009
	Other Current Assets	26,54,517	11,22,332
	Unbilled Receivables (Refer note no. 30)	14,07,49,359	4,40,49,050
		14,35,74,180	4,87,22,606

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DANU WIND PARKS PRIVATE LIMITED			
Notes forming part of the financial statements			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
PARTICULARS		For the Year ended	
		March 31, 2020	March 31, 2019
16	Revenue from Operations		
	Sale of Electricity	59,11,83,487	67,02,29,822
	Generation Based Incentive	2,00,48,294	2,95,39,320
	Less: Rebate	-	(1,03,86,215)
		61,12,31,781	68,93,82,927
17	Other Income		
	Interest Income	17,03,035	53,00,345
	Other Income	21,522	-
		17,24,557	53,00,345
18	Operation and Maintenance		
	Service Evacuation Systems	6,46,14,838	4,54,30,000
	HT Service charges	46,71,328	31,97,676
	Lease Rental (Refer note. No 25)	33,38,273	-
		7,26,24,439	4,86,27,676
19	Administrative and Other Expenses		
	Insurance	22,55,099	25,09,199
	Professional & Consultancy	11,61,831	12,38,592
	Audit Fee	2,36,000	1,18,000
	Bad debts written off	-	13,76,05,220
	Other Expenses	20,42,106	16,16,984
		56,95,036	14,30,87,995
20	Finance Cost		
	Interest on Loan	36,24,13,471	33,88,34,223
		36,24,13,471	33,88,34,223



DANU WIND PARKS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

1 NATURE OF OPERATIONS

Danu Wind Private Limited (the "Company") is a company registered under the Companies Act, 1956, incorporated on September 21, 2011 with an objective to generate, transmit, purchase, sell and supply electricity power or any other energy from conventional/ non conventional energy sources on a commercial basis. The Company has two Wind Power Projects situated in Andhra Pradesh at Dhone (22.4MW) and at Nelakote (25.3MW).

2 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Accounting Convention:

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply with the mandatory Accounting Standards as specified in the Companies (Accounting Standards) Rules 2006 ('Rules') & as specified U/s 133 of Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

2.02 Use Of Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure relating to contingent assets and contingent liabilities as on the date of the financial statements and the reported amounts of income and expense during the period. Actual results could differ from those estimates. Actual results could differ from the estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.03 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Company, and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable in accordance with the relevant agreements, net of discounts and other applicable taxes and duties.

Sale of electricity : Revenue from the sale of electricity is recognised when earned on the basis of contractual arrangement with the customers and reflects the value of units supplied including an estimated value of units supplied to the customers between the date of their last meter reading and year end.

Incentives : Incentives are recognised on an accrual basis when there is a reasonable certainty to receive the incentives.

2.04 Fixed Assets And Depreciation:

i) Fixed assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals directly or indirectly attributable to bringing the asset to its working condition for its intended use.

ii) Depreciation is computed based on the useful life of the assets as prescribed in schedule II of the Companies Act 2013. Depreciation is calculated using straight line method. Depreciation is calculated on a pro-rata basis from the date of installation / capitalization till the date the assets are sold or disposed.

iii) Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance and depreciated over the remaining useful life of the asset.

iv) With respect to the assets costing less than Rs. 5,000 based on an internal assessment and materiality, the management has estimated that the same shall be depreciated in the year of purchase.

2.05 Earnings Per Share

Basic EPS:

Basic earnings per share ("EPS") is computed by dividing the net profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS:

For the purpose of calculating diluted earnings per share, net profit or loss after tax attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.06 Provisions And Contingent Liabilities:

The Company recognises a provision when there is a present obligation as a result of past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



2.07 Cash Flow Statement

Cash flows are reported using the indirect method, where by the net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated and presented separately.

2.08 Taxes on Income

Income tax expense comprises current tax, deferred tax and Minimum alternative tax(MAT) credit.

Current tax

The current tax is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

The break-up of the deferred tax assets and liabilities as at the Balance Sheet date has been arrived at after setting-off deferred tax assets and liabilities where the Company has no legally enforceable right and an intention to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

2.09 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any assets forming part of its cash generating units may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount subject to a maximum of depreciated historical cost.

2.10 Borrowing Cost

(i) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

(ii) All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

(iii) The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset.



NOTES ON ACCOUNTS

21 Contingent Liabilities and Capital Commitments as on March 31, 2020 :

S.No	Nature	Demand	Year	Notice No
1	Entry Tax*	68,81,742	FY 2016-17	TAX/01/2020/16-17
2	Entry Tax*	1,40,96,055	FY 2017-18	TAX/02/2020/17-18
3	TDS on Works contract**	88,32,01,415	FY 2016-2017 & FY 2017-18	CT-Kurnool Vat Act-2005

*The company received demands order under Andhra Pradesh Entry Tax on Goods into Local Areas Act, 2001, levy of Entry Tax on Goods into Local Areas amounting to Rs 68,81,742 for FY 2016-17 and Rs. 1,40,96,055 for FY 2017-18 vide order dated 22/10/2020. The Management is of the view that the demand is not applicable for the company as most of the goods/sub-assemblies used in the wind turbine are not electrical but are mechanical and on the dominant usage test it is a mechanical unit not an Electrical unit, hence no Entry tax can be levied on the same. The company is in the process of preferring an appeal with the appropriate authority and is of the view that the demand will be nullified in due course. Accordingly, no provision is made in the financial statements towards the above demands.

** The company received Show case notice under AP VAT Act 2005, Tax levied in absence of filing 501-A of amounting Rs. 86,83,88,728 towards Works contract Tax and Tax on the invoice mismatching purchase reports Rs. 1,48,12,687 from the period January 2016 to June 2017. The management is of the view that the demands are not applicable for the company and the company is not liable to pay any taxes against the demands. The company has requested for a personal hearing against the aforementioned demands and the management is confident that the demands will be reversed based on the facts. Accordingly, no provision is considered in the financial statements.

22 As at March 31, 2020 there are no amounts including interest payable to Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, based on the information available with the Company.

23 Balances of debtors, loans & advances, creditors are subject to confirmation and reconciliation, if any.

24 Segment Reporting:

Segment Reporting in accordance with AS 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not provided as there is only one reportable segment for the company i.e. power generation. All the operations of the company are in India only.

25 Leases:

The company has entered into an agreement with Ecoren Energy India Private Limited for development of Wind Power Project at Nelakote, Andhra Pradesh which included getting requisite approvals for leasing of Govt Revenue Land from the Government of Andhra Pradesh. Pending such requisite approvals and demand for lease payment, the company has estimated and accounted for lease rental expenditure from date of commissioning of Project to 31.03.2020 on accrual basis and adjusted the same against the advances given. The company has deposited an amount of Rs. 3,00,00,000 towards Lease rentals and the outstanding balance as at 31.03.2020 is Rs. 2,66,61,727.

26 Earnings per share (EPS):

The Computation of Earnings per share is given below:

Particulars	Year ended	
	March 31, 2020	March 31, 2019
Net profit as per the Statement of Profit and Loss available for equity shareholders (Rs.)	(6,66,17,088)	(4,45,28,795)
Weighted Average number of equity shares for Basic EPS (Nos)	5,77,70,010	5,77,70,010
	2,79,29,990	2,79,29,990
Add : Potential Equity shares on conversion of Compulsorily Convertible Preference Shares		
Add : Potential Equity shares on conversion of Compulsory Convertible Debentures	3,38,00,000	3,38,00,000
Weighted Average number of equity shares for Diluted EPS (Nos)	11,95,00,000	11,95,00,000
Face value per share (Rs.)	10	10
Basic EPS (Rs.)	(1.15)	(0.77)
Diluted EPS* - Face value of Rs. 10/- each	(1.15)	(0.77)

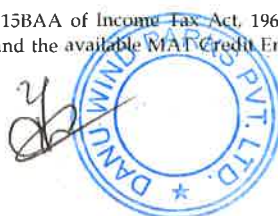
* Since diluted earnings per share is increased when taking the Compulsory Convertible Debentures into account, the Compulsory Convertible Debentures are anti-dilutive and are ignored in the calculation of diluted earnings per share for FY 2019-20.

27 In the opinion of the Board of Directors, the current assets and loans & advances have a value of realisation, not less than the value at which they are stated in the balance sheet, except as otherwise stated in these financial statements.

28 During the Financial Year 2019-20, The company has opted for section 115BAA of Income Tax Act, 1961. As per the said section, the provisions of section 115JB of Income Tax Act i.e., MAT is not applicable and the available MAT Credit Entitlement as on 01.04.2019 (i.e., Rs. 33,60,009) is reversed in current year.



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29 Trade Receivables

- (a) Trade receivables include an amount of Rs 12,44,29,807 withheld by the DISCOMs representing power supplied in excess of the approved PLF of 23.5% during the period of 12 months. The company management is of view that such amount shall be recovered from the AP DISCOM and accordingly no effect of the same is accounted in the books of accounts.
- (b) Trade receivables include Rs 28,19,27,868 towards supply of power to APSPDCL. Currently, Andhra Pradesh State Government is under the process of revisiting Power Purchase Agreements (PPAs) entered between Power Generating Companies and DISCOMs. As per the PPA of the company with the DISCOMs, the company has billed the power supplied at Rs 4.84 per MW. Pending the outcome of the review of PPAs, the entire amount payable to the generation companies is withheld by the DISCOMs. However, Hon'ble High Court of Andhra Pradesh vide its order dated 20.12.2019 has ordered to immediately pay the dues to the Solar and Wind Power Projects at interim rate (i.e, Rs.2.43 per MW for Wind developers). The company has since received Rs. 23,51,69,255 out of the total receivables of Rs 56,61,95,387.
As at 31.03.2020 an amount of Rs. 28,19,27,868 representing the difference of Rs. 2.41 per MW between the PPA rate and interim rate accordingly, is withheld by the DISCOMS
Pending final outcome of the review of the PPAs by the Government the company continues to carry the amount of Trade receivables at book value and did not consider any provision, as the management is of the view that the entire amount is receivable in due course.
- (c) Trade receivables include Rs. 5,46,85,086 towards power supplied from 2.3MW wind turbine which is in commercial operation from 20.03.2018. The DISCOMs have not made any payment towards the above supplies, pending approval of the PPA by APERC. The management is of the opinion that the entire amount is receivable in regular course and hence no provision is considered against the said receivables.

30 Unbilled Revenue

- (a) Unbilled Revenue includes Rs. 4,90,73,883 towards the power supplied but not billed, calculated at the PPA rate of Rs, 4.84 per MW. The management is of the opinion that the entire amount is receivable in regular course as explained in Note 29, Trade Receivables.
- (b) Unbilled revenue includes Rs. 9,16,75,476 towards Late Payment Surcharge (LPS) for interest accrued till 31.03.2020. As per the PPA, the company is eligible to charge LPS for any payment made beyond the due date at existing SBI base rate plus one percent.

- 31 The Company has evaluated the implications arisen on account of Covid-19 on the financial reporting of Company's financial statements pursuant to guidelines issued by the Institute of Chartered Accountants of India. The Company is in the business of generation of power and falls under essential services. Company's operations are at normal level, hence do not foresee any significant impact of outbreak of Covid-19 on the financial statements of the Company as on 31 March 2020.

32 Related Party Disclosures:

A Parties where control exists

S. No	Name of the Party	Relationship
1	Ecoren One Wind Energy Private Limited	Holding company
2	Ecoren Energy India Private Limited	Ultimate Indian Holding

B Key Management Personnel

S.No	Name of the party	Nature of Relationship 31 March, 2020
1	Lakshmi Prasad Yerneni	Director
2	Venkata Sunil Kumar Talla	Director

C Particulars of related party transactions during the year

S. No	Particulars	Nature of Transaction	Amount in Rs.	
			March 31, 2020	March 31, 2019
1	Ecoren Energy India Private Limited	Short Term Loan Received	18,97,740	3,70,167
2	Ecoren Energy India Private Limited	Repayment of Short Term Loan	-	3,03,47,041
3	Ecoren Energy India Private Limited	Lease Rental - Reimbursement of Expenditure	33,38,273	-
4	Ecoren Energy India Private Limited	Service Evacuation System Service received	5,16,05,338	3,30,40,000
5	Ecoren One Wind Energy Private Limited	Service Evacuation System Service received	1,30,09,500	1,23,90,000



D Balances at the year end

S.No	Particulars	Nature of Transaction	Amount in Rs.	
			March 31, 2020	March 31, 2019
1	Ecoren Energy India Private Limited	Short Term Loan	1,61,32,581	1,42,34,842
2	Ecoren Energy India Private Limited	Advance for Land Lease	2,66,61,727	3,00,00,000
3	Ecoren Energy India Private Limited	Creditor for Capital Works	72,48,931	72,48,931
4	Ecoren Energy India Private Limited	Payable for Services Evacuation System	1,76,50,671	81,20,000
5	Ecoren One Wind Energy Private Limited	Payable for Services Evacuation System	77,44,001	-
6	Ecoren One Wind Energy Private Limited	Short Term Loan	14,53,650	14,53,650

33 Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year classification.

34 Figures have been rounded off to the nearest rupee.

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November 25, 2020

Umamaheswara Rao & Co.,
Chartered Accountants,
Flat No. - 5H, D block,
8-3-324, Krishna Apartments,
Yellareddyguda Lane, Ameerpet,
Hyderabad - 500078

Dear Sirs,

Sub: Management Representation for the year 2019-20

This representation letter is provided in connection with your audit of the financial statements of **DANU WIND PARKS PRIVATE LIMITED** ("the Company") for the year ended **March 31, 2020** for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position and cash flows of the Company as of **March 31, 2020** and of the results of operations for the year then ended. We acknowledge our responsibility for preparation of financial statements in accordance with the requirements of the Companies Act, 2013 and recognized accounting policies and practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India. We confirm, to the best of our knowledge and belief, the following representations:

Management responsibility

We confirm that we are responsible for the following:

- a) The preparation of the financial statements and the fair presentation therein of the financial position, results and cash flows of the Company in conformity with the accounting principles generally accepted in India.
- b) Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements which are free from material misstatements, whether due to fraud or error.
- c) Selecting and applying appropriate accounting policies.
- d) Making accounting estimates which are reasonable in the circumstances.

Accounting Policies

1. The accounting policies which are material or critical in determining the results of operations for the year or financial position are set out in the financial statements and are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on accrual basis.
2. Classification and disclosure requirements of various items in the Balance Sheet is on the basis specified in the General Instruction for Preparation of Balance Sheet in the Schedule III and also duly taking into account the nature of each such items/terms with customers, other parties etc.
3. There is no change in the basis of determination of the normal operating cycle as compared to the basis followed in the immediately preceding year.

Internal Financial Control:

The Company has, in all material respects, an adequate internal financial controls system and such internal financial controls were operating effectively throughout the year.



Assets

4. The company has a satisfactory title to all assets and there are no liens or encumbrances on the company's assets other than those disclosed in the financial statements.

Fixed Assets

5. The net book values at which fixed assets are stated in the Balance Sheet are arrived at:
- after taking into account all capital expenditure on additions thereto, but no expenditure properly chargeable to revenue;
 - after eliminating the cost and accumulated depreciation relating to items sold, discarded, demolished or destroyed;
 - after providing adequate depreciation on fixed assets during the period;
 - after considering impairment.
 - after considering the subsequent expenditures related to an item of tangible fixed asset only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance and depreciated over the remaining useful life of the asset.

Capital Commitments

6. At the balance sheet date, there were no outstanding commitments for capital expenditure other than those disclosed in the financial statements.

Investments

7. The Company did not have any investments during the year.

Debtors, Loans and Advances

8. The management is of the opinion that the entire Rs. 48,57,18,460 of trade receivables and Rs. 14,07,49,359 of Unbilled Revenue is receivable in regular course and hence no provision is considered against the said receivables. A detailed note on trade receivables and Unbilled Revenue is given in Annexure-A

9. During FY 2019-20, the company recovered Rs. 1,16,25,388 from Trade receivables which were written off as bad debts in FY 2018-19.

10. Loans and Advances:

- Advance for Land Lease: 2,66,61,727 **
- Short term: NIL

** The company has entered into an agreement with Ecoren Energy India Private Limited for development of Wind Power Project at Nelakote, Andhra Pradesh which includes getting requisite approvals for leasing of Govt Revenue Land from the Government of Andhra Pradesh. Pending such requisite approvals and demand for lease payment, the company has estimated and accounted for lease rental expenditure from date of commissioning of Project to 31.03.2020 on accrual basis and adjusted the same against the advances given. The company has deposited an amount of Rs. 3,00,00,000 towards Lease rentals and the outstanding balance as at 31.03.2020 is Rs. 2,66,61,727.

11. There are no amounts due from directors, other officers of the Company or any of them jointly or severally with any other persons, firms in which a director is a partner or private limited companies in which directors of the Company are interested as directors or members.

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12. The amounts of trade receivables, loans and advances and other assets have been classified into current and non-current in accordance with the definition used in the Schedule III duly taking into account the nature of each such items/terms with customers, other parties etc.

Other Current Assets

13. In the opinion of the Board of Directors, other current assets have a value on realization in the ordinary course of the company's business which is at least equal to the amount at which they are stated in the Balance Sheet, except as otherwise stated in the financial statements.

Pledged or Assigned Assets

14. At the Balance Sheet date, none of the Company's assets were mortgaged, assigned, pledged or otherwise encumbered other than those disclosed in the financial statements.

Equity and Liabilities

Shareholders' Funds

15. The Company has Equity shares and Compulsorily Convertible Preference Shares. The disclosure requirements relating to Share Capital have been made as per the requirements of Schedule III.

Borrowings

16. The Company did not avail any borrowing facilities during the year other than those disclosed in the financial statements.
17. As per guidelines issued by RBI relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 03, 2020 and in accordance therewith, the company availed the COVID moratorium facility for the payment of principal and interest falling due between March 1, 2020 and August 31, 2020.

Liabilities

18. We have recorded all known liabilities in the financial statements.
19. There were no amounts payable to micro and small enterprises.
20. No guarantees were given to any third parties and there were no contingent liabilities other than those disclosed in the financial statements.

Provisions for Claims and Losses

21. Provision has been made in the accounts for all known losses and claims of material amounts.
22. The Company is not involved in any litigation or arbitration proceedings relating to claims or amounts other than those disclosed in the financial statements.
23. There were no commitments for the purchase or sale of investments.
24. There were no other commitments or obligations which might adversely affect the Company.

Statement of Profit and Loss

25. Except as disclosed in the financial statements, the results for the year were not materially affected by:
- a) Transactions of a nature not usually undertaken by the company;
 - b) Circumstances of an exceptional or non-recurring nature;
 - c) Charges or credits relating to prior years;
 - d) Changes in accounting policies.

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26. No personal expenses of employees, other than those the Company is contractually liable to pay, and no personal expenses of directors or any other persons who are not employees of the Company, have been debited to the Statement of Profit and Loss.

27. Disclosure has been made on the face of the Statement of Profit and Loss in accordance with the Schedule III requirements.

28. There are no items of income or expenditure exceeding Rs. 100,000/- or 1% of revenue from operations, whichever is higher, that have not been separately disclosed in the financial statements.

Subsequent Events

29. There have been no events subsequent to the Balance Sheet date which require adjustment of or disclosure in the financial statements.

Segment Information

30. There are no reportable segments other than those disclosed in the financial statements.

Related Party Disclosures

31. We confirm the following representation in respect of the related parties:

a) We have identified all the related parties and the transactions with all such parties in accordance with Accounting Standard 18 - Related Party Disclosures. The information provided to you is complete in all respects. The transactions with related parties have been at arm's length.

b) The disclosures made in the financial statements are adequate having regards to the framework under which the financial statements have been drawn. The financial statements are free from material misstatements, including omissions with regard to related parties and transactions with related parties.

General

32. The receivables and payables balances are subject to the balance confirmations.

33. The Cash balance as on 31st March, 2020 has been physically verified by Management at Rs. 10,303/-

34. The financial statements are free of material misstatements, including omissions.

35. In preparing the financial statements in conformity with the accounting principles generally accepted in India, the Management uses estimates. All estimates have been disclosed to you for which known information available prior to the issuance of the financial statements indicates that both of the following criteria are met:

a) It is at least reasonably possible that the estimate of the effect on the financial statements of a condition, situation, or set of circumstances that existed at the date of the financial statements may change in the near term due to one or more future confirming events.

b) The effect of the change would not be material to the financial statements.

36. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.

37. We acknowledge our responsibilities for the implementation and operation of accounting and internal control systems that are designed to prevent and detect fraud and error. We have disclosed



to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

38. No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
39. To the best of our knowledge and belief, the Company has not made any improper payments or payments which are illegal or against public policy.
40. The Company has complied with all aspects of contractual agreements which could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
41. We have no plans or intentions which may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
42. There have been no irregularities involving management or employees.
43. There are no formal or informal compensating balances or other arrangements involving restrictions on any of our cash and investment accounts.
44. All significant assumptions relating to fair values included in the accounts are reasonable and appropriately reflect our intent and ability to carry out planned actions on behalf of the Company that are relevant to fair value measurements or disclosures.
45. We confirm that there were no donations made to political parties during the year.
46. We have made available to you all books of account, supporting documentation and minutes of all meetings of the shareholders and the board of directors and committees of the board or summaries of actions of recent meetings for which minutes have not yet been prepared.
47. As per declarations provided by the directors, none of the Directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
48. All the required/applicable disclosure requirements which emanate from statutes other than the Indian Companies Act, 2013, has been duly considered / dealt with in addition to the disclosure requirements stipulated under the Accounting Standards / Schedule III.
49. During the Financial Year 2019-20 relevant to Assessment year 2020-21, the Company has opted for section 115BAA of Income Tax Act, 1961. As per the said section, the provisions of section 115JB of Income Tax Act i.e., MAT is not applicable and the available MAT Credit Entitlement as on 01.04.2019 (i.e., Rs. 33,60,009) is reversed in current year.
50. There is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of services.
51. In respect of its fixed assets:
 - (a) The Company is maintaining fixed assets in accordance with Companies Act.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a program of verification.
 - (c) There were no disposals of fixed assets during the year.



52. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
53. There are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable.
54. The Company has not accepted any deposits from the public.
55. As per section 148(1) of the Companies Act, 2013 and with respect to the nature of the business involved and for the products/services of the Company, maintenance of the Cost Records is mandatory. Accordingly, the company has maintained cost records as prescribed by the Central Government.
56. The Company is depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, customs duty, excise duty, value added tax, service tax, and other statutory dues applicable to it with some delays.
57. There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, customs duty, excise duty, value added tax, service tax and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.
58. The Company has not defaulted in repayment of loans taken from banks, Financial Institutions or government and dues to Debenture holders in the Financial Year 2019-20 except as mentioned below.

Principal Repayment:

Particulars	Project	Amount of Principal	Due Date	Subsequent payment (if any)
PTC India Financial Services Limited	Dhone	1,40,40,000	01-10-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	1,40,40,000	01-01-2020	Paid on 02-01-20
PTC India Financial Services Limited	Nelakote	1,59,91,000	01-01-2020	Paid on 31-12-19
PTC India Financial Services Limited	Nelakote	1,91,89,200	01-01-2020	Paid 7,95,668 on 21-01-20 & Paid 1,83,93,532 on 12-03-20

Interest payment:

Particulars	Project	Amount of Interest	Due Date	Subsequent payment (if any)
PTC India Financial Services Limited	Dhone	35,94,712	01-05-2019	Paid on 17-06-19
PTC India Financial Services Limited	Dhone	1,09,25,579	01-06-2019	Paid on 17-06-19
PTC India Financial Services Limited	Dhone	1,07,98,484	01-08-2019	Paid on 19-08-19
PTC India Financial Services Limited	Dhone	1,08,77,830	01-09-2019	Paid on 31-12-19



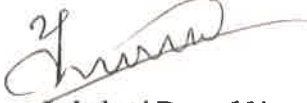
PTC India Financial Services Limited	Dhone	1,05,61,159	01-10-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	1,10,56,792	01-11-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	76,07,992	01-11-2019	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,08,55,755	01-12-2019	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,13,28,005	01-01-2020	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,06,38,402	01-02-2020	Paid on 12-09-20
PTC India Financial Services Limited	Dhone	99,51,356	29-02-2020	Paid on 12-09-20
PTC India Financial Services Limited	Nelakote	1,60,09,104	30-04-2019	Paid 51,80,763 on 01-05-19 92,27,431 on 17-06-19
PTC India Financial Services Limited	Nelakote	1,51,81,337	31-05-2019	Paid on 17-06-19
PTC India Financial Services Limited	Nelakote	14,857,598	30-06-2019	Paid on 01-07-19
PTC India Financial Services Limited	Nelakote	1,50,04,977	31-07-2019	Paid 12,74,344 on 19-08-19 & 13,730,633 on 29-10-19
PTC India Financial Services Limited	Nelakote	1,51,61,582	31-08-2019	Paid 60,14,343 on 20-12-19 & 9,147,239 on 31-12-19
PTC India Financial Services Limited	Nelakote	1,48,56,159	30-09-2019	Paid on 31-12-19
PTC India Financial Services Limited	Nelakote	1,55,47,440	31-10-2019	Paid 58,76,283 on 31-12-19 & 9,671,157 on 02-01-20
PTC India Financial Services Limited	Nelakote	1,51,32,847	30-11-2019	Paid on 02-01-20
PTC India Financial Services Limited	Nelakote	1,57,68,675	31-12-2019	Paid 1,00,64,344 on 02-01-20 & 57,04,331 on 06-01-20
PTC India Financial Services Limited	Nelakote	1,59,33,811	31-01-2020	Paid on 12-03-20
PTC India Financial Services Limited	Nelakote	1,49,08,689	29-02-2020	Paid on 12-03-20

59. No moneys were raised by way of initial public offer or further public offer (including debt instruments).
60. Managerial remuneration as per section 197 read with Schedule V to the Companies Act 2013 are not applicable to our company.
61. The Company is not a Nidhi company.
62. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.



63. The company has not allotted any securities through private placement of shares during the financial year 2019-20.
64. The Company has not entered into any non-cash transactions with directors or persons connected with him.
65. The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Danu Wind Parks Private Limited



Lakshmi Prasad Yerneni
Director



Annexure-A

1. Trade Receivables

* Trade receivables include an amount of Rs 12,44,29,807 withheld by the DISCOMs representing power supplied in excess of the approved PLF of 23.5% during the period of 12 months. The management is of view that such amount shall be recovered from the AP DISCOM and accordingly no effect of the same is accounted in the books of accounts.

* Trade receivables include Rs 56,61,95,387 towards supply of power to APSPDCL. Currently, Andhra Pradesh State Government is under the process of revisiting Power Purchase Agreements (PPAs) entered between Power Generating Companies and DISCOMs. As per the PPA of the company with the DISCOMs, the company has billed the power supplied at Rs 4.84 per MW. Pending the outcome of the review of PPAs, the entire amount payable to the generation companies is withheld by the DISCOMs. However, Hon'ble High Court of Andhra Pradesh vide its order dated 20.12.2019 has ordered to immediately pay the dues to the Solar and Wind Power Projects at interim rate (i.e, Rs.2.43 per MW for Wind developers). The company has since received Rs. 23,51,69,255 out of the above receivables.

As at 31.03.2020 an amount of Rs. 28,19,27,868 representing the difference of Rs. 2.41 per MW between the PPA rate and interim rate accordingly, is withheld by the DISCOMS.

Pending final outcome of the review of the PPAs by the Government the company continues to carry the amount of Trade receivables at book value and did not consider any provision, as the management is of the view that the entire amount is receivable in due course.

* Trade receivables include an amount of Rs. 4,36,31,886 withheld by AP DISCOM representing Rs.0.50 per MW of Generation Based Incentive (GBI) received by the company from IREDA, for the period from February 2017 to August 2018. The company is of the view that the amount is not deductible and the entire amount is receivable.

* Trade receivables include Rs. 5,46,85,086 towards power supplied from 2.3MW wind turbine which is in commercial operation from 20.03.2018. The DISCOMs have not made any payment towards the above supplies, pending approval of the PPA by APERC.

2. Unbilled Revenue

* Unbilled Revenue includes Rs. 4,90,73,883 towards the power supplied but not billed, calculated at the PPA rate of Rs, 4.84 per MW. The management is of the opinion that the entire amount is receivable in regular course as explained in Note 1, Trade Receivables.

* Unbilled revenue includes Rs. 9,16,75,476 towards Late Payment Surcharge (LPS) for interest accrued till 31.03.2020. As per the PPA, the company is eligible to charge LPS for any payment made beyond the due date at existing SBI base rate plus one percent.





INDEPENDENT AUDITOR'S REPORT

To,
The Members of
M/s Danu Wind Parks Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s Danu Wind Parks Private Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2020, the statement of profit and loss and the Statement of Cash flows, for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Companies Act, 2013 ("*the Act*") in the manner so required and gives a true and fair view in conformity with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other 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, 2020;
- b) in the case of the Statement of Profit and Loss, of the Loss 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.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics as issued by Institute of Chartered Accountants of India.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw attention to Note: 29 and 30 to the financial statements regarding "Trade Receivables" and "Unbilled Revenue". Our opinion is not modified in this matter.




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Responsibility of Management for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatements in the financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

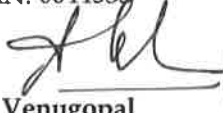
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
 - f. With respect to the adequacy of the internal controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure - B



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have any pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Umamaheswara Rao & Co.,
Chartered Accountants

FRN: 004453S


S. Venugopal

Partner

ICAI MRN: 205565

UDIN: 20205565AAAAEJ1241

Place: Hyderabad

Date: November 25, 2020



Annexure - A to Independent Auditor's Report

Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" in our report of even date:

According to the information and explanations given to us:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land, are held in the name of the Company as at the balance sheet date.
- ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii)
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including, Income Tax, Goods and Services Tax, cess and other material statutory dues, as may be applicable to the entity, with the appropriate authorities though there are delays in some cases.
 - (b) There were no undisputed amounts payable in respect of Income Tax, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax and Goods and Services Tax on March 31, 2020 on account of disputes.



- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of Loans or Borrowings to financial institutions, banks and government and dues to Debenture holders except as mentioned below.

Principal Repayment:

Particulars	Project	Amount of Principal	Due Date	Subsequent payment (if any)
PTC India Financial Services Limited	Dhone	1,40,40,000	01-10-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	1,40,40,000	01-01-2020	Paid on 02-01-20
PTC India Financial Services Limited	Nelakote	1,59,91,000	01-01-2020	Paid on 31-12-19
PTC India Financial Services Limited	Nelakote	1,91,89,200	01-01-2020	Paid 7,95,668 on 21-01-20 & Paid 1,83,93,532 on 12-03-20

Interest payment:

Particulars	Project	Amount of Interest	Due Date	Subsequent payment (if any)
PTC India Financial Services Limited	Dhone	35,94,712	01-05-2019	Paid on 17-06-19
PTC India Financial Services Limited	Dhone	1,09,25,579	01-06-2019	Paid on 17-06-19
PTC India Financial Services Limited	Dhone	1,07,98,484	01-08-2019	Paid on 19-08-19
PTC India Financial Services Limited	Dhone	1,08,77,830	01-09-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	1,05,61,159	01-10-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	1,10,56,792	01-11-2019	Paid on 31-12-19
PTC India Financial Services Limited	Dhone	76,07,992	01-11-2019	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,08,55,755	01-12-2019	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,13,28,005	01-01-2020	Paid on 02-01-20
PTC India Financial Services Limited	Dhone	1,06,38,402	01-02-2020	Paid on 12-09-20
PTC India Financial Services Limited	Dhone	99,51,356	29-02-2020	Paid on 12-09-20
PTC India Financial Services Limited	Nelakote	1,60,09,104	30-04-2019	Paid 51,80,763 on 01-05-19 92,27,431 on 17-06-19
PTC India Financial Services Limited	Nelakote	1,51,81,337	31-05-2019	Paid on 17-06-19



PTC India Financial Services Limited	Nelakote	14,857,598	30-06-2019	Paid on 01-07-19
PTC India Financial Services Limited	Nelakote	1,50,04,977	31-07-2019	Paid 12,74,344 on 19-08-19 & 13,730,633 on 29-10-19
PTC India Financial Services Limited	Nelakote	1,51,61,582	31-08-2019	Paid 60,14,343 on 20-12-19 & on 9,147,239 31-12-19
PTC India Financial Services Limited	Nelakote	1,48,56,159	30-09-2019	Paid on 31-12-19
PTC India Financial Services Limited	Nelakote	1,55,47,440	31-10-2019	Paid 58,76,283 on 31-12-19 & 9,671,157 on 02-01-20
PTC India Financial Services Limited	Nelakote	1,51,32,847	30-11-2019	Paid on 02-01-20
PTC India Financial Services Limited	Nelakote	1,57,68,675	31-12-2019	Paid 1,00,64,344 on 02-01-20 & 57,04,331 on 06-01-20
PTC India Financial Services Limited	Nelakote	1,59,33,811	31-01-2020	Paid on 12-03-20
PTC India Financial Services Limited	Nelakote	1,49,08,689	29-02-2020	Paid on 12-03-20

- ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii) According to information and explanations given to us and based on our examination of the records of the company, the transactions with the related parties are in compliance with Section 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Further, Section 177 of the Act is not applicable to the Company and accordingly, to this extent, the provisions of Clause 3 (xiii) of the Order are not applicable to the Company.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.



xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Umamaheswara Rao & Co.,

Chartered Accountants

FRN: 004453S



S. Venugopal

Partner

ICAI MRN: 205565

UDIN: 20205565AAAAEJ1241

Place: Hyderabad

Date: November 25, 2020



Annexure - B to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"):

We have audited the internal financial controls over financial reporting of M/s Danu Wind Parks Private Limited ("the Company") as at 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Umamaheswara Rao & Co.,
Chartered Accountants
FRN: 004453S


S. Venugopal
Partner



ICAI MRN: 205565
UDIN: 20205565AAAAEJ1241
Place: Hyderabad
Date: November 25, 2020