

**DANU WIND PARKS PRIVATE
LIMITED**

**7th ANNUAL REPORT
2017-18**

CIN

:

U40108TG2011PTC076645

BOARD OF DIRECTORS

:

**LAKSHMI PRASAD YERNENI - DIRECTOR
VENKATA SUNIL KUMAR TALLA - DIRECTOR**

AUDITORS

:

**M/S. UMAMAHESWARA RAO & CO
CHARTERED ACCOUNTANTS
FLAT NO. 5H, 'D' BLOCK, 8-3-324,
KRISHNA APARTMENTS,
YELLAREDDYGUDA LANE,
AMEERPET X ROADS,
HYDERABAD-500073**

REGISTERED OFFICE

:

**H.NO.1-111/RC/11-B & 12-B/201
SURVEY NO.60,
RAGHAVENDRA COLONY,
KONDAPUR,
HYDERABAD-500084,
TELANGANA**



NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the Members of **DANU WIND PARKS PRIVATE LIMITED** will be held on Saturday, the 29th day of September, 2018 at 12.30 P.M. at Plot No. 1202, 1215A, Door No. 8-2-293/82/A/1202, S. L. Jubilee, Road No.61, Jubilee Hills, Hyderabad 500033, Telangana, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon.

For **DANU WIND PARKS PRIVATE LIMITED**

Place: Hyderabad
Date: 30.08.2018




LAKSHMI PRASAD YERNENI
DIRECTOR
DIN: 02320060

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The instrument of Proxies to be effective must be deposited at the Registered Office of the Company not later than 48 hours before commencement of the Meeting.
4. Members are requested to intimate any change in their registered addresses to the Company at its registered office immediately.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the 7th Annual General Meeting.
6. Members are requested to bring their attendance slip along with their copies of Annual Report to the Meeting.

CIN : U40108TG2011PTC076645

H.No.1-111/RC/11-B & 12-B/201, Survey No.60, Raghavendra Colony, Kondapur, Hyderabad-84

BOARD'S REPORT

To
The Members
DANU WIND PARKS PRIVATE LIMITED
HYDERABAD

Your Directors have pleasure in presenting the 7th Annual Report of **DANU WIND PARKS PRIVATE LIMITED** (the Company) along with the audited financial statements for the Financial Year ended March 31, 2018.

1. Financial summary

The financial particulars of the Company as on March 31, 2018 are as under:

(Amount in Rs.)		
Particulars	2017-18	2016-17
Income from Operations	38,96,20,503	8,28,82,867
Other Income	27,19,631	2,71,915
Total	39,23,40,134	8,31,54,782
Expenditure	37,89,36,293	11,11,91,436
Profit/(Loss) before tax	1,34,03,841	(2,80,36,654)
Less: Tax Expenses	(5,70,58,427)	5,70,58,428
Profit/(Loss) after tax	7,04,62,268	(8,50,95,081)

2. Review of Operations and Company's State of Affairs

During the year under review, the Company generated revenue of Rs. 38,96,20,503/- (P.Y. Rs.8,28,82,867/-) and a net profit of Rs. 7,04,62,268/-, when compared to the loss of Rs. 8,50,95,081/- in previous year.

3. Change in the Nature of Business, if any

There was no change in the nature of business of the Company during the financial year under review.

4. Dividend

No dividend was recommended for declaration for the financial year ended on 31st March, 2018 due to conservation of profits by the Company for future business prospects.

5. **Share Capital**

During the year under review, the Authorised Share Capital was Rs. 89,30,00,000/- divided into 6,13,70,000 equity shares of Rs.10/- each and 2,79,30,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each and the Paid-up Share Capital of the Company was Rs. 85,70,00,000/- divided into 5,77,70,010 equity shares of Rs. 10/- each and 2,79,29,990 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each.

6. **Transfer of amount to Reserves**

No amount was proposed to be transferred to reserves for the financial year ended 31st March, 2018.

7. **Details of Directors**

The Board is duly constituted with two Directors named as follows-

- Mr. Lakshmi Prasad Yerneni
- Mr. Venkata Sunil Kumar Talla

During the year under review, Mr. Hari Prasad Atluri had resigned from Directorship of the Company w.e.f 20.12.2017 and all the necessary compliances as per Companies Act 2013 were complies with in this regard.

Except as mentioned above, no other changes took place in the composition of the Board of Directors of the Company.

Further, being a Private Limited Company, the provisions of Sec 149(6) of the Companies Act, 2013 with regard to appointment of Independent Directors and Section 203 of the Companies Act, 2013 with regard to appointment of Key Managerial Personnel are not applicable to the Company.

8. **Details of Subsidiaries / Joint Ventures / Associate Companies**

The company does not have any Subsidiaries / Joint Ventures / Associate Companies.

9. **Number of Board Meetings held during the Year**

During the FY 2017-18 the Company has duly conducted Five [5] Board Meetings respectively on the following dates 08.06.2017; 06.09.17; 20.12.17; 02.02.18 and 03.02.18. All the directors of the Company had attended all the Board Meetings held during the year.

Further, the intervening gap between any two consecutive board meetings did not exceeded one hundred and twenty days.

10. **Auditors and Auditors' Report**

M/s. Umamaheswara Rao & Co, Chartered Accountants, Hyderabad, at the 3rd Annual General Meeting (AGM) of the Company held on 25.09.2014, were appointed as Statutory Auditors for a period of 5 years, to hold the office as such till the conclusion of the 8th AGM i.e. till the conclusion of AGM to be held in the year 2019.

No qualifications, reservations or adverse remarks have been made by the Auditors in their report, which requires any clarification from the management of the Company.

11. **Internal Control Systems and its Adequacy**

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations.

12. **Secretarial Audit**

The provisions of secretarial audit are not applicable to the Company.

13. **Cost Audit**

The provisions of cost audit are not applicable to the Company for the financial year under review.

14. **Committees of the Board**

The Company, being a Private Limited Company and not falling under any of the parameters mentioned under Section 135 of the Companies Act, 2013 read with the rules and schedules made thereunder, is not required to constitute any Committees of the Board as per the provisions of the Companies Act, 2013.

15. **Vigil Mechanism**

The Company is not required to constitute a Vigil Mechanism as the Company is not fulfilling the criteria required under Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014.

16. **Extracts of Annual Return:**

The extracts of Annual Return is prepared for the financial year ended 31.03.2018 in **Form MGT-9** as per the provisions of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, which forms part of this report and the same is enclosed herein as an **Annexure-I**.

17. **Deposits**

The Company has neither accepted nor repaid any deposits during the financial year ended on 31st March, 2018. Further, there were no outstanding deposits as at the beginning or at any time during the financial year. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

18. **Corporate Social Responsibility Policy**

During the year under review, the Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, reporting pursuant to Section 134(3)(o) is not applicable to the Company.

19. **Details of Loans, Guarantees or Investments**

During the financial year under review, the Company has not provided any loan or given any guarantee/security or not made any investments pursuant to the provisions of the Companies Act, 2013.

20. **Particulars of Contracts or Arrangements with Related Parties**

During the financial year under review, the Company has not entered into any transactions with related parties falling under the scope of Section 188(1) of the Companies Act, 2013.

21. **Material Changes and Commitments**

No material changes and commitments have occurred after the close of the year till the date of this Report, which could affect the financial position of the Company.

22. **Disclosure on Sexual Harassment of Women at Workplace**

During the financial year, the Company has not received any complaints pertaining to sexual harassment of women at workplace.

23. **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Inflow and Outflow as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

Conservation of Energy:

The company is presently engaged in developing Wind Power Projects including erection and commissioning and hence no such activities are there, where necessary planning should be done for conservation of energy.

Technology Absorption:

No technology either indigenous or imported is involved.

Research & Development:

No research and development has been carried out.

Foreign Exchange Earnings and Outgo:

During the financial year under review, there were no earnings and outgo in foreign exchange.

24. **Directors' Responsibility Statement:**

Pursuant to the requirements under Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing/detecting fraud and other irregularities;
- d) the Directors had prepared the Annual Accounts on a going-concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

25. Risk Management Policy

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

26. General

During the financial year under review, no disclosure or reporting is required in respect of the following items as there were no transactions/events pertaining to these items:

- Disclosure regarding issue of Equity Shares with Differential Rights.
- Disclosure regarding issue of Employee Stock Options.
- Disclosure regarding issue of Sweat Equity Shares.
- Fraud Reporting (Required by Companies Amendment Bill, 2014).
- Details of significant & material orders passed by the regulators or courts or tribunal.

27. Acknowledgement:

Your Directors place on record their appreciation for the sincere and dedicated efforts made by all the employees of the Company. Your Directors would also like to thank to all the Shareholders, Customers, Bankers, Government authorities, Vendors and other Business associates for their sustained support, patronage and co-operation.

For **DANU WIND PARKS PRIVATE LIMITED**

Place: Hyderabad

Date: 30.08.2018



LAKSHMI PRASAD YERNENI
DIRECTOR
DIN: 02320060



VENKATA SUNIL KUMAR TALLA
DIRECTOR
DIN: 02247464



**FORM NO. MGT 9
EXTRACTS OF ANNUAL RETURN**

As on the financial year ended 31.03.2018

**[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management & Administration) Rules, 2014]**

I. REGISTRATION & OTHER DETAILS:

1	CIN	U40108TG2011PTC076645
2	Registration Date	21/09/2011
3	Name of the Company	Danu Wind Parks Private Limited
4	Category/Sub-category of the Company	Company Limited by Shares/Indian-Non-Government Company.
5	Address of the Registered office & contact details	H.No.1-111/RC/11-B & 12-B/201, Survey No.60, Raghavendra Colony, Kondapur, Hyderabad-500084 Email Id: prasad.yerneni@ecorenenergy.com
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited E-3 Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai- 400072, Maharashtra Email Id: prabhakar@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Electric Power Generation using Other nonconventional Sources	35106	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Ecoren One Wind Energy Private Limited Address: # 32-5-3, Lakshmi Nilayam Prajasakti Nagar Vijayawada-520010, Krishna, Andhra Pradesh	U40102AP2015PTC096907	Holding Company	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

[illegible]

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non-Res. Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies–DR	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	5,77,70,010	0	5,77,70,010	100	5,77,70,010	0	5,77,70,010	100	0

ii) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Ecoren One Wind Energy Private Limited [EOWEPL]	5,77,70,000	99.99998	99.99998	5,77,70,000	99.99998	99.99998	---
2	Lakshmi Prasad Yerneni (Nominee of EOWEPL)	10	0.00002	0.00002	10	0.00002	0.00002	---
	Total	5,77,70,010	100	100	5,77,70,010	100	100	---

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding				Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason	No. of shares	% of total shares of the company
1.	Ecoren One Wind Energy Private Limited (EOWEPL)						
	At the beginning of the year	5,77,70,000	99.99998			5,77,70,000	99.99998
	Date wise Increase/ Decrease in Promoters Shareholding during the year						
	At the End of the year					5,77,70,000	99.99998
2.	Yerneni Lakshmi Prasad (Nominee of EOWEPL)						
	At the beginning of the year	10	0.00002			10	0.00002
	Date wise Increase/ Decrease in Promoters Shareholding during the year						
	At the End of the year					10	0.00002

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs): **N.A.**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Cumulative Shareholding during the year 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company

(v) Shareholding of Directors and Key Managerial Personnel: **NIL**

Sl. No.	Name	Shareholding at the beginning of the year		Date	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(in Rupees)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	2,37,87,35,000	27,56,00,000	----	2,65,43,35,000
i) Principal Amount	-----	-----	-----	-----
ii) Interest due but not paid	-----	-----	-----	-----
iii) Interest accrued but not due	-----	-----	-----	-----
Total (i+ii+iii)	-----	-----	-----	-----
Change in Indebtedness during the financial year				
* Addition	26,03,65,000	6,24,00,000	-----	32,27,65,000
* Reduction	-----	-----	-----	-----
Net Change	26,03,65,000	6,24,00,000	-----	32,27,65,000
Indebtedness at the end of the financial year				
i) Principal Amount	2,63,91,00,000	33,80,00,000	-----	2,97,71,00,000
ii) Interest due but not paid	-----	-----	-----	-----
iii) Interest accrued but not due	-----	-----	-----	-----
Total (i+ii+iii)	2,63,91,00,000	33,80,00,000	-----	2,97,71,00,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **NIL**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors:

NIL

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	----	----	---
	Fee for attending board committee meetings	---	---	---
	Commission	---	---	---
	Others, please specify	---	---	---
	Total (1)	---	---	---
2	Other Non-Executive Directors	---	---	----
	Fee for attending board committee meetings	No remuneration has been paid to other non-executive Directors		
	Commission			
	Others, please specify			
	Total (2)			
	Total (B)=(1+2)	----	---	----
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	----	----	----

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: N. A.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		----	----	Total (in ₹)
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For **DANU WIND PARKS PRIVATE LIMITED**Place: Hyderabad
Date: 30.08.2018**LAKSHMI PRASAD YERNENI**
DIRECTOR
DIN: 02320060**VENKATA SUNIL KUMAR TALLA**
DIRECTOR
DIN: 02247464



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.



OFFICES

HYDERABAD

: Flat No. 5-H, 'D' Block, 8-3-324, Krishna Apartments, Yellareddyguda Lane, Ameerpet x Roads, Hyderabad - 500 073
Tel : 040- 23751833, 23751823, e-mail : ucohyd@umrcas.com

GUNTUR

: D.No. 3-26-2, Plot No. B1-59, 1st Lane, Ravindra Nagar, New Pattabhipuram, Guntur - 522 006.
Tel : 0863- 2355986, 2241392, Fax : 2354524, E-mail : ucognt@yahoo.co.in

VISAKHAPATNAM

: 47-3-36, 5th Floor, Tribhuvanam, Dwarakanagar, Visakhapatnam - 530 016. Tel : 0891-2748236. E-mail : ucovsp@yahoo.co.in

TIRUPATI

: No. 4, 2nd Floor, Beside A.P. Tourism Office, Sri Devi Complex, Tilak Road, Tirupati - 517 501. E-mail : ucotpty@gmail.com

GUDIVADA

: Sivalayam Street, Gourisankarapuram, Gudivada - 521 301, Tel : 08674-242144. E-mail : babusrikar@yahoo.com

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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.
2. As required by section 143(3) of the Act, 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 books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 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



S. Venugopal

Partner

ICAI MRN: 205565

FRN: 004453S



Place: Hyderabad

Date: August 30, 2018

Annexure - A to Auditors' 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 Paragraph 3 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 not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii)
 - a) The Company has generally been regular in depositing undisputed statutory dues, including, Income-tax, Sales Tax, Goods and Services Tax, cess and other material statutory dues, as may be applicable to the entity, with the appropriate authorities though there has been a slight delay in a few cases.
 - b) There were no undisputed amounts payable in respect of Income-tax, Sales Tax, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
 - c) There are no dues of Income-tax, Sales Tax and Goods and Services Taxes on March 31, 2018 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.
- 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 Paragraph 3 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 sections 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 (xiii) of Paragraph 3 of the Order are not applicable to the Company.
- xiv) According to the information and explanations given to us, the Company has made preferential allotment of fully convertible debentures during the year under review.
- In respect of the above issue, we further report that:
- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised.
- 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

S. Venugopal
Partner

ICAI MRN: 205565
FRN: 004453S



Place: Hyderabad
Date: August 30, 2018

Annexure - B to the Auditors' Report

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 2018 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.

Auditors' 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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, 2018, 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



S. Venugopal

Partner

ICAI MRN: 205565

FRN: 004453S



Place: Hyderabad

Date: August 30, 2018

DANU WIND PARKS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

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

PARTICULARS	Note No.	Balance as at	
		31 March, 2018	31 March, 2017
I. EQUITY AND LIABILITIES			
Share Holders' Funds			
(a) Share Capital	3	85,70,00,000	85,70,00,000
(b) Reserves and surplus	4	(1,46,32,813)	(8,50,95,081)
Non current liabilities			
(a) Long Term Borrowings	5	2,91,62,60,000	2,63,09,35,000
(b) Deferred tax liabilities (Net)	6	-	5,70,58,428
Current liabilities			
(a) Short Term Borrowings	7	4,56,65,365	5,25,72,334
(b) Trade payables	8	29,06,038	30,81,029
(c) Other current liabilities	9	17,23,81,684	2,94,47,394
(d) Short Term Provisions	10	28,30,286	-
Total		3,98,24,10,560	3,54,49,99,103
II. ASSETS			
Non Current Assets			
a) Fixed Assets	11		
i) Tangible Assets		3,62,99,36,840	1,62,73,60,037
ii) Capital-work in progress		-	20,29,50,743
b) Long Term Loans and Advances	12	3,00,00,000	2,85,00,000
Current Assets			
(a) Trade Receivables	13	4,91,89,334	3,22,68,307
(b) Cash and Cash Equivalents	14	21,08,79,035	1,29,33,00,331
(c) Other current assets	15	6,24,05,351	36,06,19,685
Total		3,98,24,10,560	3,54,49,99,103

See accompanying notes to financial statements

As per our report on even date
For Umamaheswara Rao & Co.,
Chartered Accountants

S. Venugopal
Partner
M.No. 205565
Firm Registration No. 004453S



For and on behalf of the Board

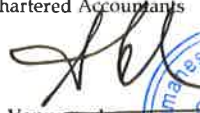


Yerneni Lakshmi Prasad
Director
DIN:02320060

Venkata Sunil Kumar Talla
Director
DIN:02247464



Place: Hyderabad
Date : 30/08/2018

DANU WIND PARKS PRIVATE LIMITED			
Statement of Profit & Loss for the year ended March 31, 2018			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
PARTICULARS	Note No.	For the Period ended	
		31 March, 2018	31 March, 2017
INCOME			
Revenue from Operations	16	38,96,20,503	8,28,82,867
Other Income	17	27,19,631	2,71,915
Total Revenue		39,23,40,134	8,31,54,782
EXPENDITURE			
Operational and Maintenance	18	1,29,84,660	42,00,498
Administration and Other Expenses	19	47,14,521	26,05,963
Finance Cost	20	24,11,92,371	7,02,28,151
Depreciation and Amortisation expenses	11	12,00,44,740	3,41,56,824
Total Expenses		37,89,36,293	11,11,91,436
Profit before tax		1,34,03,841	(2,80,36,654)
Tax Expense :			
a) Income Tax			
Current period		27,32,889	-
Earlier periods		-	-
b) MAT Credit		(27,32,889)	-
c) Deferred Tax		(5,70,58,427)	5,70,58,428
Profit/(loss) from continuing operations for the period		7,04,62,268	(8,50,95,081)
Profit/(loss) from discontinuing operations after tax			-
Profit/(loss) for the period		7,04,62,268	(8,50,95,081)
Earnings Per Share	28		
Basic EPS		1.22	(2.97)
Diluted EPS		0.62	(2.97)
See accompanying notes to financial statements			
<p>As per our report of even date</p> <p>For Umamaheswara Rao & Co., Chartered Accountants</p> <p>S. Venugopal Partner M.No. 205565 Firm Registration No. 004453S</p> <p>Place: Hyderabad Date : 30/08/2018</p> <p>For and on behalf of the Board</p> <p>Yerneni Lakshmi Prasad Director DIN:02320060</p> <p>Venkata Sunil Kumar Talla Director DIN:02247464</p>			

DANU WIND PARKS PRIVATE LIMITED		
Cash Flow Statement for the year ended March 31, 2018		
(All amounts in Indian Rupees, except share data and where otherwise stated)		
Particulars	31 March, 2018	31 March, 2017
A. Cash Flows from Operating Activities		
Net profit/(loss) before tax	1,34,03,841	(2,80,36,654)
Adjustments for :		
Depreciation	12,00,44,740	3,41,56,824
Finance cost	24,11,92,371	7,02,28,151
Interest Income	(27,19,631)	(2,71,915)
Operating profit before working capital changes	37,19,21,321	7,60,76,406
Adjustments for changes in working capital :		
(Increase)/Decrease in Trade Receivables	(1,69,21,027)	(3,22,68,307)
(Increase)/Decrease in Other current assets	30,09,47,224	(18,19,14,870)
(Increase)/Decrease in Work in Progress	-	-
Increase / (Decrease) in Trade and Other Payables	9,63,89,704	85,35,750
Increase / (Decrease) in Provision	3,71,557	-
Cash generated from operations	75,27,08,780	(12,95,71,021)
Income Tax (Paid)/Refund	(2,74,160)	(1,91,215)
Net Cash from Operating Activities	75,24,34,620	(12,97,62,236)
B. Cash Flows from Investing Activities		
Purchase of Fixed Assets	(2,12,26,21,543)	(1,63,77,44,761)
(Increase)/Decrease in Work in progress	20,29,50,743	(16,76,30,006)
Interest Income	27,19,631	2,71,915
(Increase)/Decrease in Long Term Loans & Advances	(15,00,000)	(2,85,00,000)
	(1,91,84,51,171)	(1,83,36,02,852)
C. Cash Flows from Financing Activities		
Amount received on Issue of shares	-	61,95,26,390
Increase/(Decrease) in Long Term Borrowings	32,27,65,000	2,65,43,35,000
Increase/(Decrease) in Short Term Borrowings	(69,06,969)	5,25,66,634
Payment of finance cost	(23,22,62,776)	(6,98,32,482)
Net Cash from/(used in) Financing Activities	8,35,95,255	3,25,65,95,542
Net Increase in Cash and Cash equivalents during the Period (A+B+C)	(1,08,24,21,296)	1,29,32,30,454
Cash and Cash equivalents at the beginning of the Period	1,29,33,00,331	69,877
Cash and Cash equivalents at the end of the Period	21,08,79,035	1,29,33,00,331
Note:		
Cash and Cash Equivalents		
Cash in Hand	10,303	13,917
Balances with Banks		
(a) Current Accounts	13,63,68,732	1,28,47,86,414
(b) Fixed Deposits	7,45,00,000	85,00,000
	21,08,79,035	1,29,33,00,331
As per our report of even date		
For Umamaheswara Rao & Co.,		
Chartered Accountants		
		
S. Venugopal		
Partner		
M.No. 205565		
Firm Registration No. 0044535		
Place: Hyderabad		
Date : 30/08/2018		
	For and on behalf of the Board	
		
Yerneni Lakshmi Prasad		
Director		
DIN:02320060		
		
	Venkata Sunil Kumar Talla	
	Director	
	DIN:02247464	

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.

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.

MAT credit

MAT credit is recognized as an asset only when, and to the extent, there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

2.18 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.

2.19 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.



DANU WIND PARKS PRIVATE LIMITED			
Notes forming part of Balance Sheet			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
	PARTICULARS	Balance as at	
		31 March, 2018	31 March, 2017
3	Share Holder's Funds		
	Share Capital		
	(a) Authorised share Capital		
	(i) Authorised Equity Share Capital	61,37,00,000	61,37,00,000
	6,13,70,000 (31st March, 2017 : 6,13,70,000 shares) shares of Rs.10/- each		
	(ii) Authorised Compulsorily Convertible Preference Share Capital	27,93,00,000	27,93,00,000
	2,79,30,000 (31st March, 2017 : 2,79,30,000 shares) shares of Rs.10/- each		
	Total	89,30,00,000	89,30,00,000
	(b) Issued, Subscribed & Paid Up Capital		
	(i) Issued, Subscribed & Paid Up Equity Share Capital	57,77,00,100	57,77,00,100
	5,77,70,010 (31st March, 2017 : 5,77,70,010 shares) shares of Rs.10/- each		
	(ii) Issued, Subscribed & Paid Up 0.01% Compulsorily Convertible Preference Share Capital	27,92,99,900	27,92,99,900
	2,79,29,990 (31st March, 2017 : 2,79,29,990 Shares) shares of Rs.10/- each		
	Total	85,70,00,000	85,70,00,000
	Notes:		
	(a) Reconciliation of number of equity shares outstanding		
	outstanding shares at the beginning of the Period	5,77,70,010	2,37,47,361
	Add: Shares issued during the period	-	3,40,22,649
	Less: Shares bought back during the period	-	-
	Outstanding shares at the ending of the Period	5,77,70,010	5,77,70,010
	(b) Reconciliation of number of Preference shares outstanding		
	outstanding shares at the beginning of the period	2,79,29,990	-
	Add: Shares issued during the period	-	2,79,29,990
	Less: Shares bought back during the period	-	-
	Outstanding shares at the ending of the period	2,79,29,990	2,79,29,990
	(c) Particulars of equity share holders holding more than 5% of the shares		
	Name of the Equity Share holder	No. of Shares held	No. of Shares held
	Ecoren One Wind Energy Private Limited	5,77,70,000	5,77,70,000
	(% of holding)	100.00%	100.00%
	(d) Particulars of Preference share holders holding more than 5% of the shares		
	Name of the Preference Share holder		
	Ecoren One Wind Energy Private Limited	2,79,29,990	2,79,29,990
	(% of holding)	100.00%	100.00%
	(e) Particulars of shares held by holding company		
	Equity shares	No. of Shares held	No. of Shares held
	Ecoren One Wind Energy Private Limited (including nominee shares)	5,77,70,010	5,77,70,010
	(% of holding)	100.00%	100.00%
	Preference shares		
	Ecoren One Wind Energy Private Limited	2,79,29,990	2,79,29,990
	(% of holding)	100.00%	100.00%
4	Reserves and Surplus		
	Opening balance	(8,50,95,081)	-
	Add : Transfer from P&L A/c	7,04,62,268	(8,50,95,081)
	Less: Amount Utilised during the year	-	-
	Closing Balance	(1,46,32,813)	(8,50,95,081)



5	Long Term Borrowings		
	(i) Debentures (Unsecured) 9% Compulsory Convertible Debentures of Rs 100/- each*	33,80,00,000	27,56,00,000
	(ii) Term Loans (Secured) Loans from Financial Institutions**	2,57,82,60,000	2,35,53,35,000
		2,91,62,60,000	2,63,09,35,000
<p>*Compulsory Convertible Debentures (CCDS) 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 accrue 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>**Loans from Financial Institutions:</p> <p>(a) PTC India Financial Services Limited - Dhone (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 (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. (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. (iv) The company has agreed to pay interest monthly at a rate of 12.75% p.a., reduced to 12.5% p.a. and further reduced to 12.25% p.a. (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>(b) PTC India Financial Services Limited - Nelakota (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 and Rs. 24 crore in FY 2017-18. (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. (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. (iv) The company has agreed to pay interest monthly at a rate of 11.75% p.a. (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>			
6	Deferred Tax Liability/ (Asset) Deferred tax (liability)/ asset	-	5,70,58,428
		-	5,70,58,428
7	Short Term Borrowings (Unsecured) Loans and Advances from Related Parties	4,56,65,365	5,25,72,334
		4,56,65,365	5,25,72,334
8	Trade Payable Dues to parties other than Micro and Small enterprises	29,06,038	30,81,029
		29,06,038	30,81,029
9	Other Current liabilities		
	Current Maturities of Long Term Debt	6,08,40,000	2,34,00,000
	Interest accrued and due on borrowings	93,25,264	3,95,669
	Statutory Liabilities	12,47,833	14,20,451
	Other Current Liabilities	20,29,449	42,31,274
	Creditors for Capital works	9,89,39,138	-
Total		17,23,81,684	2,94,47,394



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10	Short Term Provisions Provision for Expenses Provision for Income Tax		
		3,71,557	-
		24,58,729	-
		28,30,286	-
12	Long Term Loans & Advances Security Deposit (unsecured, considered good)		
		3,00,00,000	2,85,00,000
		3,00,00,000	2,85,00,000
13	Trade Receivables Outstanding for more than 6 months Others		
		2,37,10,131	-
		2,54,79,203	3,22,68,307
		Total	3,22,68,307
14	Cash and Cash Equivalents Cash on Hand Balances with Banks (a) Current Accounts (b) Fixed Deposits * * (Pledged to Lenders against Term Loans)		
		10,303	13,917
		13,63,68,732	1,28,47,86,414
		7,45,00,000	85,00,000
		Total	1,29,33,00,331
15	Other Current Assets Refund for AY 2017-18 TDS Receivable MAT Credit Advances for Capital Works Other Current Assets Unbilled receivables		
		1,91,216	-
		-	1,91,215
		27,32,889	-
		-	34,14,04,940
		22,87,055	11,02,659
		5,71,94,191	1,79,20,871
	Total	6,24,05,351	36,06,19,685



8

Notes forming part of the Financial Statements

11 FIXED ASSETS

S.No	Particulars	Gross Block				Depreciation			Net Block	
		Opening Balance 01.04.2017	Additions during the period	Deletions during the period	As on 31.03.2018	As on 01.04.2017	For the period	Deletions during the period	As on 31.03.2018	As on 31.03.2017
A.	Tangible Assets									
	Land	2,77,21,120	-	-	2,77,21,120	-	-	-	2,77,21,120	2,77,21,120
	Plant & Machinery (Wind Mills)	1,63,37,95,741	2,12,26,21,543	-	3,75,64,17,284	3,41,56,824	12,00,44,740	-	15,42,01,564	1,59,96,38,917
	Total A	1,66,15,16,861	2,12,26,21,543	-	3,78,41,38,404	3,41,56,824	12,00,44,740	-	15,42,01,564	1,62,73,60,037
B.	Intangible Assets	-	-	-	-	-	-	-	-	-
	Total B	-	-	-	-	-	-	-	-	-
C.	Capital Work-in Progress									
	Capital Expenditure - Nelakote	20,29,50,743	1,91,96,70,800	2,12,26,21,543	-	-	-	-	-	20,29,50,743
	Total C	20,29,50,743	1,91,96,70,800	2,12,26,21,543	-	-	-	-	-	20,29,50,743



2

DANU WIND PARKS PRIVATE LIMITED			
Notes forming part of Statement of Profit & Loss			
(All amounts in Indian Rupees, except share data and where otherwise stated)			
PARTICULARS		For the Period Ended	
		31 March, 2018	31 March, 2017
16 Revenue from Operations			
Sale of Power		35,88,77,745	8,28,82,867
Generation Based Incentive		3,07,42,758	-
		38,96,20,503	8,28,82,867
17 Other Income			
Interest Income		27,19,631	2,71,915
		27,19,631	2,71,915
18 Operational and Maintenance			
Service Evacuation Systems		95,64,141	31,35,561
HT Service charges		34,20,519	10,64,937
		1,29,84,660	42,00,498
19 Administrative and Other Expenses			
Insurance		23,22,733	8,55,222
Professional & Consultancy		14,17,670	12,59,250
Audit Fee		1,18,000	1,18,000
Other Expenses		8,56,118	3,73,491
		47,14,521	26,05,963
20 Finance Cost			
Interest on Loan		24,11,92,371	7,02,28,151
		24,11,92,371	7,02,28,151



NOTES ON ACCOUNTS

- 21 Contingent Liabilities and Capital Commitments as on March 31, 2018 : NIL.
- 22 The Company has not provided for Interest on Compulsorily Convertible Debentures as there is no availability of Distributable cash.
- 23 As at March 31, 2018 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.
- 24 **Deferred Tax Liability/ Asset :**
No provision for Deferred Tax Liability/ Asset is created during the year as there is no virtual certainty of future payable of Tax as per income tax. As a result, the concept of timing difference will not arise. Hence Deferred Tax liability/asset is not created and the liability created in FY 2016-17 is reversed during the year.
- 25 **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.
- 26 **Leases:**
The company has entered into an agreement with Ecoren Energy India Private Limited for development of Power Project which included leasing of land. Pending requisite approvals from the Government of Andhra Pradesh no lease rent has been recognised in the books of account and requisite disclosures are not made. The company will account for the leases after receipt of the aforesaid approval.
- 27 **Borrowing Cost:**
During the year, borrowing cost of Rs. 6.68 crores is capitalised and added to qualifying asset i.e., Plant & Machinery.

28 Earnings per share (EPS):

The Computation of Earnings per share is given below:

Particulars	For the year ended	
	31 March, 2018	31 March, 2017
Basic EPS:		
Net Profit/(loss) as per Statement of Profit & Loss	7,04,62,268	(8,50,95,081)
Adjustments (if any)	-	-
Earnings attributable to Equity Shareholders	7,04,62,268	(8,50,95,081)
Reconciliation of Equity Shares		
Outstanding shares at the beginning of the year	5,77,70,010	2,37,47,361
Add: Shares issued during the period	-	3,40,22,649
Less: Shares bought back during the period	-	-
Outstanding shares at the ending of the year	5,77,70,010	5,77,70,010
Weighted Average number of shares during the year	5,77,70,010	2,86,37,704
Basic EPS - Face value of Rs. 10/- each	1.22	(2.97)
Diluted EPS:		
Net Profit/(loss) as per Statement of Profit & Loss	7,04,62,268	(8,50,95,081)
Add: Increase in earnings (Saving in interest on Debentures)	-	-
Earnings attributable to Equity Shareholders	7,04,62,268	(8,50,95,081)
Weighted Average Number of Equity shares	5,77,70,010	2,86,37,704
Add: Potential Equity shares on conversion of Compulsory Convertible Preference Shares	2,79,29,990	2,21,84,238
Add: Potential Equity shares on conversion of Compulsory Convertible Debentures	2,85,17,370	75,507
Total Equity shares for calculation of Diluted Earnings per share	11,42,17,370	5,08,97,450
Weighted Average number of shares during the year	11,42,17,370	5,08,97,450
	0.62	(1.67)
Diluted EPS - Face value of Rs. 10/- each	0.62	*(2.97)
* 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.		

- 29 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.
- 30 The company is in the process of reconciliation of the trade receivables and trade payables accounts and the management is of the view that the amounts represented in the financials would not undergo any material change subsequent to the reconciliation and hence considers that no provision is required to be made in the books of account.



31 Related Party Disclosures:
A Parties where control exists

Name of the Party	Relationship
Ecoren One Wind Energy Private Limited	Holding company
Ecoren Energy India Private Limited	Ultimate Indian Holding Company

B Key Management Personnel

S.No	Name of the party	Nature of Relationship
		31 March, 2018
1	Lakshmi Prasad Yerneni	Director
2	Venkata Sunil Kumar Talla	Director

C Particulars of related party transactions

S. No	Particulars	Nature Of Transaction	Amount in Rs.	
			2017-18	2016-17
1	Ecoren One Wind Energy Private Limited	Allotment of Equity shares, Preference shares and Compulsorily Convertible Debentures	6,24,00,000	61,95,26,490
2	Ecoren Energy India Private Limited	Short Term Loan received	3,069	11,761
3	Ecoren Energy India Private Limited	Repayment of Short Term Unsecured	-	14,400
4	Ecoren Energy India Private Limited	Long Term Unsecured Loan Received	5,32,39,669	4,28,70,225
5	Ecoren Energy India Private Limited	Repayment of Long Term Unsecured Loan	5,19,04,309	-
6	Ecoren Energy India Private Limited	Procurement of Wind Turbine Generation Equipment	1,85,29,92,010	1,71,88,20,170
7	Ecoren One Wind Energy Private Limited	Service Evacuation System Service received	94,02,038	30,81,029
8	Ecoren One Wind Energy Private Limited	Unsecured loan received	-	7,95,25,500
9	Ecoren One Wind Energy Private Limited	Repayment of Unsecured Loan	-	7,95,00,000
10	Ecoren One Wind Energy Private Limited	Loan Received	-	1,53,73,548
11	Ecoren One Wind Energy Private Limited	Repayment of Unsecured Loan	82,45,398	59,00,000

D Balances at the year end

S.No	Particulars	Nature Of Transaction	Amount in Rs.	
			2017-18	2016-17
1	Ecoren Energy India Private Limited	Security Deposit	3,00,00,000	2,85,00,000
2	Ecoren Energy India Private Limited	Short Term Loan	6,130	3,061
3	Ecoren Energy India Private Limited	Long Term Unsecured Loan	4,42,05,585	4,28,70,225
4	Ecoren Energy India Private Limited	Advances given for Capital Works	-	34,14,04,940
5	Ecoren Energy India Private Limited	Procurement of Wind Turbine Generation Equipment	9,89,39,138	-
6	Ecoren One Wind Energy Private Limited	Payable for Services Evacuation System	29,06,038	30,81,029
7	Ecoren One Wind Energy Private Limited	Unsecured Loan	25,500	25,500
8	Ecoren One Wind Energy Private Limited	Long Term Unsecured Loan	14,28,150	96,73,548

32 Figures have been rounded off to the nearest rupee.

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

