

INDEPENDENT AUDITOR'S REPORT

To the Members of Greenko Energies Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Greenko Energies Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone 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 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 Standalone 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 Standalone 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 thereunder.

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 Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone 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 Standalone Financial Statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 of the state of affairs of the Company as at March 31, 2016 and its loss and its cash flow for the year ended on that date.

Emphasis of Matter

Attention is drawn to Note no. 27 to the notes forming part of Standalone Financial Statements, which explains the management's assessment of recoverability of Rs. 4,564.06 lakhs from APTRANSCO. Based on the assessment of the management and as opined by the legal experts on the recoverability of the amounts no adjustments have been made to the Standalone Financial Statements in this regard by treating the amount as fully recoverable our opinion is not qualified in this matter.

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" statement on the matters specified in the paragraph 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 purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, aforesaid Standalone Financial Statements comply with the accounting standards specified under Section 133 of the Companies Act, 2013 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the Internal financial control over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
- g) With respect to the other matters to be included 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 26 (b) and Note 27 to the Standalone 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 are no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Brahmayya & Co.,
Chartered Accountants
Firm Regn. No.000511S



N. Sri Krishna

Partner

Membership No.26575

Place : -Chennai
Date : -August 31, 2016

Annexure - A to the Independent Auditors' Report

Referred to in Clause 1 of **"Report on Other Legal and Regulatory Requirements"** Paragraph of the Independent Auditors' Report of even date the members of Greenko Energies Private Limited on the Standalone Financial Statements as of and for the year ended March 31, 2016.

- (i) (a). The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b). As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the Immovable properties owned by the company are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification of inventory.
- (iii) According to the Information and explanations provided to us, the company has not granted any loans, secured or unsecured to companies, Firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act 2013. Therefore, the provisions of Clause (iii), iii(a), iii(b) & iii(c) of Paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and securities given.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of accounts maintained by the company in respect of the products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts & records have been maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues to the appropriate authorities. There are no undisputed amounts payable in respect of statutory dues which are outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us, the details of dues of Income tax which is not deposited on account of any dispute as on March 31, 2016 is given below: -

(Rs. in Lakhs)

Nature of Statute	Nature of Dues	Tax Amount Disputed	Period to which Amount Relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	2.32	2006-07	High Court of Andhra Pradesh
The Income Tax Act, 1961	Income Tax	0.46	2007-08	High Court of Andhra Pradesh
The Income Tax Act, 1961	Income Tax	20.57	2008-09	High Court of Andhra Pradesh
The Income Tax Act, 1961	Income Tax	43.40	2009-10	High Court of Andhra Pradesh
The Income Tax Act, 1961	Income Tax	0.88	2010-11	Commissioner of Income Tax Appeals
The Income Tax Act, 1961	Income Tax	451.67	2012-13	Commissioner of Income Tax Appeals

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of principal to the lenders as on the reporting date.
- (ix) Based on the information and explanations given to us by the management, during the year, Company has not availed any new term loan.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The provisions of section 197 read with Schedule V to the Act are not applicable to Private Limited Company. Therefore, the provisions of Clause (xi) of Paragraph 3 of the Order is not applicable
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, the provisions of Clause (xii) of Paragraph 3 of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the provisions of Clause (xv) of Paragraph 3 of the Order 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 Brahmayya & Co.,
Chartered Accountants**
Firm Regn. No.000511S



Place: - Chennai
Date: - August 31, 2016

N. Sri Krishna
Partner
Membership No.26575

Annexure B to the Independent Auditor's 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 **Greenko Energies Private Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the Standalone 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 "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting as issued by The Institute of Chartered Accountants of India & Standard Operating Procedures as adopted by the Company". 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 judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone 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 Standalone 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 March 31, 2016, based on "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting as issued by The Institute of Chartered Accountants of India & Standard Operating Procedures as adopted by the Company"

For Brahmayya & Co.
Chartered Accountants
Firm's Regn. No : 0000511S



N. Sri Krishna
Partner
Membership No.26575

Place :- Chennai
Date :- August 31, 2016

Greenko Energies Private Limited

Balance Sheet as at March 31, 2016

Rupees in lakhs

	Note	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	67,584.67	67,584.67
(b) Reserves and surplus	3	167,146.28	170,915.85
2. Share application money pending allotment	4	39,843.50	-
3. Non-current liabilities			
(a) Long-term borrowings	5	21,205.14	23,850.00
(b) Deferred tax liabilities (Net)	6	467.74	378.40
(c) Long-term provisions	7	129.43	96.36
4. Current liabilities			
(a) Trade payables	8	13.57	16.73
(b) Other current liabilities	9	17,821.74	12,532.25
		314,212.07	275,374.26
II. ASSETS			
Non-current assets			
1. (a) Fixed assets	10		
(i) Tangible assets		3,592.99	3,736.85
(ii) Intangible assets		110.33	81.55
(iii) Capital work-in-progress		208.49	208.45
(b) Non current investments	11	200,853.41	190,153.23
(c) Long-term loans and advances	12	26,667.88	33,527.80
2. Current assets			
(a) Current investments	13	30.38	29.84
(b) Inventories	14	347.36	415.95
(c) Trade receivables	15	5,925.49	4,854.68
(d) Cash and bank balances	16	3,573.31	1,695.56
(e) Short-term loans and advances	17	72,764.50	40,589.77
(f) Other current assets	18	137.93	80.58
		314,212.07	275,374.26
Significant Accounting Policies, Notes and other explanatory information	1-32		

The notes are an integral part of the financial statements.
Vide our report of even date attached.

For BRAHMAYYA & CO
FR No: 000511S
Chartered Accountants


N. Sri Krishna
Partner
M.No: 26575




Place : Chennai
Date: August 31, 2016

For and on behalf of the Board of Directors
Greenko Energies Private Limited


Anil Kumar. C
Director
DIN: 00220806


Mahesh Kolli
Director
DIN: 01412010


Purushotham. C
Director (Finance) and Company Secretary
DIN: 01317059
Place : Hyderabad
Date: August 31, 2016

Greenko Energies Private Limited

Statement of Profit and Loss for the year ended March 31, 2016

Rupees in lakhs

	Note	Year ended March 31, 2016	Year ended March 31, 2015
I. Revenue from operations:	19	2,614.24	2,527.99
II. Other income	20	164.27	339.07
III. Total Revenue		2,778.51	2,867.06
IV. Expenses:			
Cost of materials consumed	21	1,891.17	1,882.73
Employee benefits expense	22	1,142.61	981.24
Finance costs	23	1,979.82	2,122.09
Depreciation and amortization expense		235.31	234.07
Other operating expenses	24	294.12	282.44
Other expenses	25	915.71	1,283.82
Total expenses		6,458.74	6,786.39
V. Loss before tax		(3,680.23)	(3,919.33)
VI. Tax expense:			
- Deferred tax		89.34	40.98
VII. Loss for the year		(3,769.57)	(3,960.31)
VIII. Earnings per share: (Per equity share of Rs. 10 each fully paid-up)			
-Basic		(0.56)	(0.59)
-Diluted		(0.56)	(0.59)
Significant Accounting Policies, Notes and other explanatory information	1-32		

The notes are an integral part of the financial statements.
Vide our report of even date attached.

For BRAHMAYYA & CO

FR No: 000511S

Chartered Accountants



N. Sri Krishna

Partner

M.No: 26575

Place : Chennai


Date: August 31, 2016

For and on behalf of the Board of Directors

Greenko Energies Private Limited


Arun Kumar. C
Director
DIN: 00220806


Mahesh Kolli
Director
DIN: 01412010


Purushotham. C
Director (Finance) and Company Secretary
DIN: 01817059

Place : Hyderabad

Date: August 31, 2016

Greenko Energies Private Limited
Cash Flow Statement for the year ended March 31, 2016

Rupees in lakhs

	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash flows from operating activities		
Loss before tax	(3,680.23)	(3,919.33)
Adjustments for:		
Add: Depreciation and amortization expense	235.31	234.07
Provision for Doubtful Debts and Advances	-	473.11
Add: Bad advances written off	-	0.01
Add: Finance costs	1,979.82	2,122.09
Less:(Gain/Loss) on exchange fluctuations	39.26	(110.86)
Less: Dividend income from current investments	(39.42)	(23.13)
Less: Gain on value of current investments	-	(4.78)
Less: Profit from sale of investments	-	-
Less: Interest on fixed deposits	(99.79)	(191.90)
Operating profit before working capital changes	(1,565.05)	(1,420.72)
(Increase)/Decrease in trade receivables	(1,070.81)	(42.91)
(Increase)/Decrease in inventories	68.60	(200.59)
(Increase)/Decrease in loans and advances	(25,585.80)	(15,983.03)
(Increase)/Decrease in current investments	(0.53)	-
Increase/(Decrease) in current liabilities and provisions	1,750.03	(17.60)
Cash generated (used in) operations	(26,403.57)	(17,664.85)
Income taxes paid	(8.17)	(957.75)
Net cash used in operating activities	(26,411.73)	(18,622.60)
B. Cash flows from investing activities		
Purchase of fixed assets and capital advances	(2,169.63)	(116.02)
Dividend income from current investments	39.42	22.56
Investment in fixed deposits	(33.46)	(151.08)
Interest on fixed deposits	42.44	119.54
Investment/purchase of shares in subsidiaries	(9,123.17)	(19,901.41)
Advance for purchase of equity	2,328.50	16,548.00
Net cash used in investing activities	(8,915.90)	(3,478.41)
C. Cash flows from financing activities		
Repayment of borrowings	(1,562.50)	-
Proceeds from share application money	39,843.50	-
Proceeds from unsecured loan	870.76	14,475.00
Refund of share application money	-	(3,064.00)
Finance Costs	(1,979.83)	(2,138.27)
Net cash from financing activities	37,171.93	9,272.73
Increase/(Decrease) in cash and cash equivalents during the year	1,844.29	(12,828.29)
Cash and cash equivalents at the beginning of the year	712.93	13,541.21
Cash and cash equivalents at the end of the year (Refer Note No. 16)	2,557.22	712.93

Vide our report of even date attached.


For BRAHMAYYA & CO
FR No: 000511S
Chartered Accountants

N. Sri Krishna
Partner
M.No: 26575

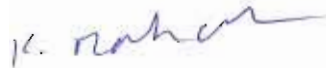



For and on behalf of the Board of Directors
Greenko Energies Private Limited


Anil Kumar .C
Director
DIN: 00220806



Mahesh Kolli
Director
DIN: 01412010



Purusotham.C
Director (Finance) and Company Secretary
DIN: 01317059



Place : Hyderabad
Date: August 31, 2016

Place : Chennai
Date: August 31, 2016

Greenko Energies Private Limited

Notes annexed to and forming part of financial statements

1. Significant Accounting Policies

a) Accounting assumptions

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 ('Indian GAAP') and in compliance with the mandatory Accounting Standards ('AS') as prescribed under The Companies (Accounting Standards) Rules, 2006 ('the Rules') and the relevant provisions of the Companies Act, 2013 ('the Act').

b) Accounting estimates

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements, and the reported amounts of revenue and expenses during the reported year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the financial statement. Actual results could differ from those estimates.

c) Revenue recognition

i) Revenue from Sale of Energy is recognised on accrual basis in accordance with the provisions of the Power Purchase Agreement entered into with Transmission Corporation of Andhra Pradesh. Claims for delayed payment charges and other claims, if any, which the company is entitled to under the Power Purchase Agreement is accounted for in the year of acceptance.

ii) Revenue from Emission Reductions is recognized after registration of the project with United Nations Framework Convention on Climate Change (UNFCCC), generation of emission reductions and upon execution of a firm contract of sale.

iii) Income from investments is recognized in the year in which it is accrued and stated at gross.

iv) Interest income is recognized in the year in which it is accrued and stated at gross.

v) Revenue from power trading is accounted for based on trading margin agreed with customer.

d) Fixed assets

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its working condition.

All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment (being excess of carrying value over the recoverable value of the asset) is charged to the Statement of Profit and Loss in the respective financial year. The impairment loss recognized in the prior years is reversed where the recoverable value exceeds the carrying value of the asset upon re-assessment in the subsequent years.

e) Depreciation

Depreciation is provided on straight line method at the rates and in the manner specified in Schedule II of the Companies Act, 2013. Assets costing Rs. 5,000 or less are fully depreciated in the year of acquisition.

f) Investments

Investments are classified into current and long-term investments. Long term investments are valued at cost unless there is a permanent diminution in their value. Current investments are carried at lower of cost and market value. Cost of acquisition is inclusive of costs incidental to acquisition.



Greenko Energies Private Limited

Notes annexed to and forming part of financial statements

g) Inventories

Raw materials, consumables, stores and spares are valued at cost or below. Cost is determined on a weighted average basis and includes all applicable costs incurred in bringing goods to their present location and condition.

h) Borrowing costs

Borrowing costs directly attributable to acquisition of assets which takes substantial period of time to get ready for its intended use are also included as part of the cost of such assets to the extent they relate to the period till such assets are ready to use. All other borrowing costs are recognized as expense in the year in which they are incurred and charged to Statement of Profit and Loss.

i) Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and resultant gain or loss is recognized in the Statement of Profit and Loss.

j) Employee benefits

Defined contribution plan

The Company contributes to Government administered Provident Fund on behalf of its employees and has no further obligation beyond making the payment to them. Contributions to Provident Fund (defined contribution plan) are charged to Statement of Profit and Loss as incurred on accrual basis.

Defined benefit plan

Liability for gratuity under the payment of Gratuity Act is funded through a scheme administered by Life Insurance Corporation of India and provision is made based on actuarial valuation carried out as at balance sheet date. The present value of obligation under such defined benefit is determined based on actuarial valuation as at the Balance Sheet date, using the projected unit credit method, which recognize each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Liability for Leave encashment is accrued and provided for on the basis of actuarial valuation made as at the end of each accounting period.

k) Earnings per share

The earnings considered in ascertaining the company's Earnings Per Share (EPS) comprise of the Net Profit/(Loss) after tax. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year.

Dilutive potential equity share are deemed converted as of the beginning of the year unless they have been issued at a later date. The number of shares used in computing the diluted EPS comprises weighted average number of shares considered for deriving basic EPS and also weighted average of the number of equity shares which could have been issued on conversion of dilutive potential equity shares.



Greenko Energies Private Limited

Notes annexed to and forming part of financial statements

1) Taxes on income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are computed on the timing differences applying the tax rate enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is a virtual/reasonable certainty supported by convincing evidence that tax income will be available against which such deferred tax assets can be realized.



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Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 2 : Share capital
a. Share capital

	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees in lakhs	Number	Rupees in Lakhs
Authorised Equity Shares of Rs. 10 each	800,000,000	80,000.00	800,000,000	80,000
Issued Equity Shares of Rs. 10 each	675,846,650	67,584.67	675,846,650.00	67,584.67
Subscribed and Paid-up Equity Shares of Rs. 10 each fully paid-up	675,846,650	67,584.67	675,846,650.00	67,584.67
		67,584.67		67,584.67

b. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees in lakhs	Number	Rupees in lakhs
Shares outstanding at the beginning of the year	675,846,650	67,584.67	650,712,650	65,071.27
Shares issued during the year	-	-	25,134,000	2,513.40
Shares outstanding at the end of the year	675,846,650	67,584.67	675,846,650.00	67,584.67

c. Terms and rights attached to equity shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

d. Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Greenko Mauritius (Holding Company)*	675,846,650	100	675,846,650	100
	675,846,650	100	675,846,650	100

* Nominee shares to the extent of 10 (2015 - 10).

e. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared

	Year (Aggregate No. of Shares)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares : Fully paid-up pursuant to contract(s) without payment being received in cash	-	-	-	-	-

Note 3 : Reserves and surplus

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
a. Securities Premium Account		
Opening Balance	173,077.13	165,536.93
Add : Securities premium credited on issue of shares	-	7,540.20
Closing Balance	173,077.13	173,077.13
b. Contingency Reserve		
Opening Balance	50.00	50.00
Add: Addition during the year	-	-
Closing Balance	50.00	50.00
c. Surplus in Statement of Profit and Loss		
Opening balance	(2,211.28)	1,775.76
Less: Change of Depreciation as per schedule -2 of companies Act 2013	-	(26.73)
Add: Loss for the year	(3,769.57)	(3,960.31)
Closing Balance	(5,980.85)	(2,211.28)
	167,146.28	170,915.65

Note 4 : Share application money, pending allotment

An amount of Rs.39,843.50 lakhs (2015 - Rs. Nil) received from Greenko Mauritius (holding company) towards equity share application money including share premium which is pending for allotment as at March 31, 2016.



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 5 : Long-term borrowings

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
<u>Secured</u>		
(a) Term loans		
From others	5,859.38	9,375.00
(b) Unsecured		
Interest free loan from related parties	15,345.76	14,475.00
	21,205.14	23,850.00

The Medium Term Loan of Rs.12,500 lakhs from PIC India Financial Services Ltd.(PFS) which carries interest @ 15.75% per annum payable on monthly basis. The loan is repayable in 4 years with additional one year of grace period.

The loan is repayable on a quarterly basis after 18 months of moratorium from initial disbursement as per the agreed terms.

The loan is secured by first ranking and exclusive charge/mortgage on:

- a) all immovable and movable properties, both present and future, of the company;
- b) all immovable and movable properties both present and future, of the company's subsidiaries viz., Roshni Powertech Private Limited and Ravikiran Power Projects Private Limited;
- c) all the book debts, receivables, all other current assets, commission, revenues of the company and company's subsidiaries viz., Roshni Powertech Private Limited and Ravikiran Power Projects Private Limited;
- d) a first ranking pledge of 26% of equity of Greenko Wind Projects Private Limited (subsidiary company) and pledge of 100% of equity of Roshni Powertech Private Limited and Ravikiran Power Projects Private Limited;
- e) Personal guarantees of Mr. Anil Kumar C and Mr. Mahesh Kolli, Directors of the Company;
- f) Corporate guarantee of Greenko Mauritius (holding company);

Note 6 : Deferred tax liabilities (net)

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Deferred tax liability		
On fixed assets	510.53	409.66
Deferred tax asset		
On employee benefits	(42.79)	(31.26)
	467.74	378.40



(SPACE INTENTIONALLY KEPT BLANK)

Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 7 : Long-term provisions

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Gratuity	78.24	55.36
Leave encashment	51.19	41.00
	129.43	96.36

Note 8 : Trade payables

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
(a) Dues to other than Micro, small and medium enterprises		
- Stores and spares	13.57	16.73
	13.57	16.73

Note 9 : Other current liabilities

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
(a) Current maturities of long-term borrowings	5,078.13	3,125.00
(b) Other payables		
- Creditors for capital goods	0.49	2.17
- Provident Fund and other employee related taxes	17.17	6.27
- Statutory dues payable	42.44	31.86
- Investment consideration payable	9,467.63	7,890.63
- Advance from holding company	1,426.32	1,386.89
- Other creditors	136.02	89.43
- Other payables	1,653.54	-
	17,821.74	12,532.25



(SPACE INTENTIONALLY KEPT BLANK)

Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

10. Fixed Assets

Description	Gross Block				Depreciation			Net Block	
	As at April 01, 2015	Additions	Deletions	As at March 31, 2016	As at April 01, 2015	For the year	Deletions	As at March 31, 2016	As at March 31, 2015
a. Tangible Assets									
Freehold Land	921.31	-	-	921.31	-	-	-	-	921.31
Buildings	983.34	13.67	-	997.01	331.71	34.48	-	366.19	630.82
Plant and Machinery	4,181.98	-	-	4,181.98	2,373.44	62.85	-	2,436.29	1,745.69
Furniture and Fixtures	216.05	0.17	-	216.22	41.23	22.49	-	63.72	152.50
Computers	148.86	47.43	-	196.29	91.00	45.47	-	136.47	59.82
Office Equipment	173.83	7.66	-	181.49	68.99	42.42	-	111.41	70.08
Vehicles	49.28	-	-	49.28	31.43	5.08	-	36.51	12.77
	6,674.65	68.93	-	6,743.58	2,937.80	212.79	-	3,150.59	3,736.85
b. Intangible Assets									
Computer Software	121.65	51.30	-	172.95	40.11	22.52	-	62.62	110.33
	121.65	51.30	-	172.95	40.11	22.52	-	62.62	110.33
Total	6,796.30	120.23	-	6,916.53	2,977.91	235.31	-	3,213.21	3,703.32
Previous year	6,774.68	101.69	80.07	6,796.30	2,784.35	234.07	40.51	2,977.91	3,818.40
c. Capital work-in-progress									
									208.45

Note:

i) Freehold land includes an amount of Rs.737.61 lakhs (2015- 737.61 lakhs) represented by a registered power of attorney.



Note II : Non current investments

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Other than Trade Investments (Refer A below) (Unquoted)		
(a) Investments in equity instruments	192,905.94	185,303.22
(b) Investment in Convertible Cumulative Preference	3,097.46	-
(c) Investments in Compulsory Convertible Debentures	4,850.00	4,850.00
(d) Investments in government securities	0.01	0.01
	200,853.41	190,153.23

A. Details of other than trade investments

Sl. No.	Name of the Body Corporate	No. of Shares		Extent of Holding (%)		Rupees in lakhs	
		2016	2015	March 31 2016	March 31 2015	As at March 31, 2016	As at March 31, 2015
(a)	Investment in equity instruments of subsidiary companies ⁵ (Face value of Rs. 10 each unless otherwise stated)						
	AMR Power Private Limited (Face Value of Rs. 100 each)	3,987,510	3,987,510	100	100	4,933.26	4,933.26
	Astha Projects (India) Private Limited	17,324,996	17,324,996	100	100	5,877.68	5,877.68
	Ecofren Power & Projects Private Limited	22,000,000	22,000,000	100	100	750.00	750.00
	Greenko Halkoti Energy Private Limited*	4,900	4,900	49	49	1,140.49	1,140.49
	Greenko Rego Hydro Projects Pvt Ltd	-	50,000	-	100	-	5.00
	Greenko Solar Energy Pvt. Ltd.	10,000	10,000	100	100	1.00	1.00
	Greenko Wind Projects Private Limited	818,999,900	818,999,900	76	76	81,899.99	81,899.99
	Greenko Zenith Energy Solution Private Limited	100,000	100,000	100	100	10.00	10.00
	Hemavathy Light & Power Private Limited (Face Value of Rs. 5 each)	20,000,000	20,000,000	11	11	1,754.87	1,754.87
	ISA Power Private Limited	20,000,000	20,000,000	100	100	750.00	750.00
	Jasper Energy Private Limited	25,000,000	25,000,000	100	100	2,512.00	2,512.00
	Kanglangshiri Hydro Power Private Limited	-	29,400	-	49	-	165.00
	Kukke Hydro Power Projects Private Limited	250,000	250,000	100	100	497.45	497.45
	Kumaradhara Power Pvt. Ltd.	1,000,000	1,000,000	100	100	501.00	501.00
	LVS Power Private Limited	69,542,988	69,542,988	87	87	17,222.61	17,222.60
	Mechuka Hydro Power Private Limited	-	29,400	-	49	-	185.00
	Perla Hydro Power Pvt. Ltd.	1,000,000	1,000,000	100	100	100.00	100.00
	Ravikiran Power Projects Private Limited	12,000,000	12,000,000	100	100	1,337.34	1,337.34
	Rapum Hydro Power Private Limited	-	29,400	-	49	-	165.00
	Rithwik Energy Generation Private Limited	13,328,500	13,328,500	29	29	1,399.52	1,399.52
	Roshni Powertech Private Limited	11,500,000	11,500,000	100	100	1,704.42	1,704.42
	Sai Spurthi Power Private Limited	17,817,572	17,817,572	100	100	4,159.82	4,159.82
	Sai Teja Energies Private Limited	21,772	21,772	100	100	480.00	480.00
	Sobra Hydro Energies Pvt Ltd	-	10,000	-	100	-	1.00
	Sneha Kinetic Power Projects Private Limited	223,935,000	223,935,000	100	100	24,445.22	24,445.22
	Sunam Power Private Limited	25,000	25,000	100	100	2.50	2.50
	Swasti Power Limited	35,107,000	-	100	-	8,118.21	-
	Technology House (India) Private Limited*	20,100	20,100	49	49	219.85	219.85
	Tejassarnika Hydro Energies Private Limited	30,450,109	30,450,109	100	100	32,783.21	32,783.21
	Vayuputhra Energy Pvt Ltd	10,000	10,000	100	100	300.00	300.00
	Frontier Offshore Drilling (India) Ltd	50,000	-	100	-	5.50	-
						192,905.94	185,303.22
(b)	Investment in Convertible Cumulative Preference Shares in subsidiaries						
	Swasti Power Private Limited						
	0.5% Series A Convertible Cumulative Preference Shares of Rs.10 each (Fully paid-up)	3,014,730	-	100	-	486.32	-
	15.25% Series B Convertible Cumulative Preference Shares of Rs.10 each (Fully paid-up)	3,133,924	-	100	-	764.48	-
	14.25% Series B Convertible Cumulative Preference Shares of Rs.10 each (Fully paid-up)	7,987,298	-	100	-	1,846.66	-
						3,097.46	-
(c)	Investments in Unsecured Compulsorily Convertible debentures in subsidiaries						
	Greenko Halkoti Energy Private Limited	34,000,000	34,000,000	100	100	3,400.00	3,400.00
	Technology House (India) Private Limited	14,500,000	14,500,000	100	100	1,450.00	1,450.00
						4,850.00	4,850.00
(d)	Investment in government securities						
	Government of India - National Savings Certificate					0.01	0.01
						0.01	0.01
						200,853.41	190,153.23

* Cost of investments includes payment made towards shares for which ownership is yet to be transferred in favour of the Company on a later date as per the Share Purchase Agreement.

⁵ Includes unpaid consideration of Rs.9,467.63 lakhs (2015-Rs.7,890.63 lakhs)

Pledge of shares/CCDs held in subsidiary companies given as security for the loans obtained by the subsidiary companies from banks/financial institutions:

Name of the subsidiary	No. of equity shares/ccd's pledged	
	March 31 2016	March 31 2015
AMR Power Private Limited	1,196,253	-
Astha Projects (India) Private Limited	5,197,498	-
Greenko Halkoti Energy Private Limited	34,004,900	34,004,900
Greenko Wind Projects Private Limited	527,742,380	169,014,690
Kukke Hydro Projects Private Limited	127,500	-
Perla Hydro Power Pvt. Ltd.	740,000	740,000
Ravikiran Power Projects Private Limited	11,999,900	11,999,900
Rithwik Energy Generation Pvt Ltd	13,328,500	-
Roshni Powertech Private Limited	11,499,900	11,499,900
Sai Spurthi Power Private Limited	5,345,271	-
Sneha Kinetic Power Projects Private Limited	114,240,000	88,230,000
Swasti Power Private Limited	35,406,940	-



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 12: Long-term loans and advances

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
a. Capital advances	2,058.63	9.27
b. Security deposits	77.17	33.82
c. Interest free loans to related parties	22,838.48	29,470.77
d. Other loans and advances		
i) Advance for purchase of equity - Subsidiaries	-	2,419.00
ii) Advance for purchase of equity - Others	1,500.00	1,409.50
iii) MAT credit entitlement	43.30	43.30
iv) Advance income-tax (net off provision)	150.30	142.14
Unsecured, considered doubtful		
Advance for purchase of equity - Others	90.50	90.50
Less: Provision for doubtful advances	(90.50)	(90.50)
	26,667.88	33,527.80

Note 13: Current investments

	Rupees in lakhs			
	As at March 31, 2016		As at March 31, 2015	
	No. of Units	Amount	No. of Units	Amount
Mutual Funds				
SBI Infrastructure Fund (Face value of Rs. 10 each per unit)	200,000	20.00	200,000	20.00
Reliance Liquid Plus Fund (Face value of Rs. 1,000 each per unit)	1,033.40	10.38	981.88	9.84
		30.38		29.84

Note 14: Inventories

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
a. Raw materials	225.91	284.73
b. Stores and spares	121.45	131.22
	347.36	415.95

Note 15: Trade receivables

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Trade receivables outstanding for a period exceeding six months from the date they are due for payment*		
Unsecured, considered good	4,590.18	4,564.06
Unsecured, considered doubtful	124.15	124.15
	4,714.33	4,688.21
Less: Provision for Doubtful Trade receivables	124.15	124.15
	4,590.18	4,564.06
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Other Trade receivables, considered good	1,335.31	290.62
	1,335.31	290.62
* Refer Note No 27	5,925.49	4,854.68



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 16 : Cash and bank balances

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
a. Cash on hand	18.74	13.79
b. Balances with banks		
- In current accounts maturity	338.49	699.14
- Deposits with banks for less than 3 months maturity	2,200.00	-
	2,557.23	712.93
c. Other bank balances		
- Deposits with banks for more than 3 months maturity	146.36	149.97
- Deposits with banks held as security against the borrowings of the company	500.00	500.00
- Deposits with banks held as security against guarantees	369.72	332.66
	3,573.31	1,695.56

Note 17 : Short-term loans and advances

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
a. Interest free loans to related parties	69,391.65	39,226.59
b. Others		
i) Prepaid expenses	57.96	50.39
ii) Advances to suppliers	221.86	995.36
iii) Other advances	3,093.03	317.43
Unsecured, considered doubtful		
Other advances	233.46	258.46
Less: Provision for doubtful advances	(233.46)	(258.46)
	72,764.50	40,589.77

Note 18 : Other current assets

	Rupees in lakhs	
	As at March 31, 2016	As at March 31, 2015
a. Interest accrued but not due on deposits	137.93	80.58
	137.93	80.58

Note 19 : Revenue from operations

	Rupees in lakhs	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Sale of electrical energy	2,563.01	2,527.99
Sale of emission reductions	19.66	-
Income from trading activity (net)	31.57	-
	2,614.24	2,527.99

Note 20 : Other income

	Rupees in lakhs	
	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Interest on fixed deposits	99.79	191.90
Dividend income	39.42	23.13
Gain on value of current investments	-	4.78
Liabilities no longer required written back	-	2.31
Insurance claims received	0.06	6.09
Gain on exchange fluctuations (net)	-	110.86
Bad debts recovered	25.00	-
	164.27	339.07



Greenko Energies Private Limited

Notes annexed to and forming part of financial statements

Note 21 : Cost of materials consumed

Rupees in lakhs

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Raw materials	1,891.17	1,882.73
	1,891.17	1,882.73

Note 22 : Employee benefits expense

Rupees in lakhs

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Salaries	1,002.02	834.12
Company's contribution to PF and other funds	52.25	44.56
Gratuity and leave encashment	43.53	46.93
Staff welfare expenses	44.81	55.63
	1,142.61	981.24

Note 23 : Finance costs

Rupees in lakhs

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Interest on borrowings	1,973.58	2,118.29
Bank charges	6.24	3.80
	1,979.82	2,122.09

Note 24 : Other operating expenses

Rupees in lakhs

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Consumption of stores and spares	98.32	75.76
Insurance	32.86	30.79
Operation and maintenance expenses	106.79	133.66
Repairs to plant and machinery	18.19	10.67
Repairs to others	-	0.62
Security charges	37.96	30.94
	294.12	282.44

Note 25 : Other expenses

Rupees in lakhs

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
Rent	31.43	30.02
Rates and taxes	30.71	17.46
Travelling and Conveyance expenses	356.34	459.15
Printing and stationery	5.78	5.93
Communication expenses	98.67	91.82
Office Maintenance	73.41	82.43
Legal and professional charges	167.48	57.98
Payments to the auditor		
- Statutory audit	24.05	17.98
Bad advances written off	-	0.01
Provision for Doubtful Debts and Advances	-	473.11
Loss on exchange fluctuations (net)	39.26	-
Miscellaneous expenses	88.58	47.93
	915.71	1,283.82



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 26 : Contingent liabilities and commitments

- a) Towards investment in equity shares of subsidiaries (net of advances towards purchase of Equity) Rs.319.59 lakhs (2015 - Rs.319.59 lakhs).
- b) Towards Income Tax Demand – with respect to Revenue Recognition - Disputed by the Company – Rs.519.33 lakhs (2015 - Rs. 48.34 lakhs).
- c) Corporate guarantees and pledge of fixed deposits given in favour of Bankers for the loans availed by the company and its subsidiaries - Rs.368,137.60 lakhs (2015 - 192,987.60 lakhs).

Note 27 : Sale of electrical energy

The company has entered into a Power Purchase Agreement (PPA) with Transmission Corporation of Andhra Pradesh Limited (APTRANSCO) for its two biomass power generating units at Chennur and Sattenapalli on August 17, 2001 and March 08, 2002 respectively for sale of power.

As per the terms of the PPA, the electricity tariff was fixed on the basis of Policy – OP No.1075/2000 upto the financial year 2003-04 and with effect from financial year 2004-2005 would be decided by Andhra Pradesh Electricity Regulatory Commission (APERC). APERC vide its order dated March 20, 2004 fixed tariff for five years, i.e., 2004-05 to September 2009 and directed APTRANSCO to implement the same.

Aggrieved with the tariff revised by APERC, Biomass Energy Developers Association filed an appeal before the Hon'ble High Court of Andhra Pradesh and obtained an order on August 20, 2004 directing APTRANSCO to implement its revised tariff and also additionally pay 50% of the differential amount between the old and the revised tariff, with effect from June 2004 and also further ordered to approach the Appellate Tribunal, New Delhi.

The Appellate Tribunal, New Delhi, vide its order dated June 2, 2006, directed the APTRANSCO to continue power purchase at the same rates at which the power generated by Non-conventional Energy Developers were supplying before passing of the above mentioned order on March 20, 2004 by APERC.

Aggrieved by this, APTRANSCO filed an appeal with Honourable Supreme Court, which has vide its order dated July 24, 2006, directed that no coercive steps shall be taken until further orders.

Honourable Supreme Court has remanded the matter back to APERC with a direction that it shall hear the Non-Conventional Energy generators afresh and fix/ determine the tariff for purchase of electric energy in accordance with law expeditiously. Since APERC could not deliver an executable order, the developers approached the Appellate Tribunal for Electricity in appeal. In an order dated February 01, 2012, the Appellate Tribunal directed for a payment of differential tariff based on the tariff ordered to be paid by the Chairman of the APERC, it being the lowest amongst the revised tariff proposed by three members of APERC.

Supreme Court of India dismissed the appeal filed by distribution company (DISCOM) against the interim order of Appellate Tribunal and directed DISCOM to pay the differential tariff as ordered by the Appellate Tribunal. During the year ended March'14, in an interim order dated June 22, 2013 APERC determined tariff arrears to be paid along with interest on arrears at the rate of 12% to be compounded on quarterly basis and the company recognized the revenue pertaining to earlier periods along with interest as determined by the Appellate Tribunal's order amounting to 5,946.55 lakhs.

Trade Receivables aggregating to Rs.4,564.06 lakhs lakhs (2015Rs.4,564.06 lakhs) have been considered as fully recoverable based on management's assessment of their recoverability based on its evaluation of terms implicit in the contracts with customer, legal opinion and other pertinent factors.



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 28 : Employee benefits

(i) Defined benefit plan

The following table sets forth the status of Gratuity plan and Leave Encashment Plan of the company and the amounts recognized in the Balance Sheet and Statement of Profit and Loss Account.

Rupees in lakhs

Particulars	Gratuity		Leave Encashment	
	2016	2015	2016	2015
Projected benefits obligation at the beginning of the year (As at April 01)	70.82	51.23	41.00	27.84
Current service cost	12.35	14.42	5.10	11.35
Interest cost	5.10	4.21	2.91	2.02
Actuarial loss/(gain)	8.10	6.73	9.33	9.12
Benefits paid	(10.23)	(5.76)	(7.15)	(9.32)
Projected benefit obligation at the end of the year (As at March 31)	86.13	70.82	51.19	41.00
Amounts recognized in the Balance Sheet				
Projected benefit obligation at the end of the year	86.13	70.82	51.19	41.00
Fair value of Plan Assets at the end of the year	7.89	15.45	---	---
Funded Status of the Plan – (asset)/liability	(7.89)	(15.45)	---	---
	78.25	55.37	51.19	41.00
Change in Fair Value of Assets				
Fair value of Plan Assets at the beginning of the year	15.45	18.49	---	---
Expected Return on Plan Assets	0.95	1.47	---	---
Actual Contributions	1.61	1.35	7.15	9.32
Actuarial Gain/(Loss)	0.11	(0.10)	---	---
Benefits paid	(10.23)	(5.76)	(7.15)	(9.32)
Fair value of Plan Assets at the end of the year	7.89	15.45	---	---
	78.25	55.37	51.19	41.00
Cost	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2016	For the year ended March 31, 2015
Current service cost	12.35	14.42	5.10	11.35
Interest cost	5.10	4.21	2.91	2.02
Expected return on plan assets	(0.95)	(1.47)	---	---
Net actuarial (gain)/loss recognized in the year	7.98	6.83	9.33	9.12
Net Cost	24.49	23.98	17.34	22.48

The principal assumptions used in determining gratuity and leave encashment obligations for the company's plan are shown below:

	For the year ended March 31, 2016	For the year ended March 31, 2015
Discount rate	7.77%	7.77%
Salary escalation rate (per annum)	7.00%	7.00%
Expected rate of return on plan assets	8.51%	9.00%
Attrition rate [Past Service (PS)]		
PS 0-12	5%	5%
PS12-22	3%	3%
PS22-42	2%	2%

The estimates of future salary increases, considered in actuarial valuation, taken on account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(ii) Defined contribution plan

In respect of the Defined contribution plan (Provident Fund) an amount of Rs.52.25 lakhs (2015 – Rs.44.56 lakhs) has been recognized in the Statement of Profit and Loss.



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 29 : Related party transactions

(a) Names of related parties and description of relationship

Description of relationship	Names of the related parties
Ultimate Holding Company	Greenko Energy Holdings
Holding Company	Greenko Mauritius
Fellow Subsidiaries	Greenko Power Projects (Mauritius) Ltd Greenko Dutch B.V. Glory Corporation Limited
Fellow Subsidiary's Subsidiaries	Bharmour Hydro Projects Private Limited [*] Elger Company Limited Greenko Clean Energy Projects Private Limited Greenko Rego Hydro Projects Private Limited [*] Harsar Hydro Projects Private Limited [*] Kanglangshiri Hydro Power Private Limited [*] Mechuka Hydro Power Private Limited [*] Rapuni Hydro Power Private Limited [*] Sobra Hydro Energy Private Limited [*] Tanco Limited
Subsidiary Companies	AMR Power Private Limited Anantapura Wind Energies Private Limited Animala Wind Power Private Limited Axis Wind Farms (MPR D/AM) Private Limited Belum Wind Infrastructure Private Limited Devarahippargi Wind Power Private Limited Devgarh Wind Projects Private Limited Dwarakamai Wind Power Private Limited Ecofren Power & Projects Private Limited Fortune Five Hydel Projects Private Limited Greenko Anubhav Hydel Power Private Limited Greenko Aslha Projects (India) Private Limited Greenko AT Hydro Private Limited [*] Greenko Bagewadi Wind Energies Private Limited Greenko (Borampalle) Wind Projects Private Limited Greenko Budhil Hydro Power Private Limited Greenko Cinaron Constructions Private Limited Greenko Energy Ventures Private Limited Greenko Godavari Power Projects Private Limited Greenko Halkoti Energy Private Limited Greenko Him Kailash Hydro Power Private Limited Greenko Infrastructure Private Limited Greenko Kaveri Hydro Projects Private Limited Greenko Rayala Wind Power Company Private Limited Greenko Sri Sai Krishna Hydro Energies Private Limited Greenko Solar Energy Private Limited Greenko Sumez Hydro Energies Private Ltd Greenko Tarela Power Limited Greenko Tejassarnika Hydro Energies Private Limited Greenko Wind Energies Private Limited Greenko Wind Projects Private Limited Guttaseema Wind Energy Company Private Limited Greenko Zenith Energy Solutions Private Limited Hemavathy Power & Light Private Limited ISA Power Private Limited Jasper Energy Private Limited Kanhur Wind Power Private Limited Kukke Hydro Projects Private Limited Kumaradhara Power Private Limited L V S Power Private Limited Mangalore Energies Private Limited Matrix Power (Wind) Private Limited Perla Hydro Power Private Limited Ratnagiri Wind Power Projects Private Limited Ravikiran Power Projects Private Limited Rayalaseema Wind Energy Company Private Limited Rithwik Energy Generation Private Limited Roshni Powertech Private Limited Sai Puram Wind Energies Private Limited Sai Spurthi Power Private Limited Sai Teja Energies Private Limited Sneha Kinetic Power Projects Private Limited Sunam Power Private Limited Swasti Power Private Limited Tanot Wind Power Ventures Private Limited Technology House (India) Private Limited Vayuputhra Energy Private Limited Vyshali Energy Private Limited

^{*} During the year relationship with these entities have been changed from subsidiary companies to fellow subsidiary's subsidiaries.



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

(a) Material Related party transactions

Rupees in Lakhs

Transactions and balances	Ultimate Holding Company		Holding Company		Company		Subsidiaries		Fellow Subsidiaries	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Equity shares allotted (including securities premium)	--	--	--	10,053.60	--	--	--	--	--	--
Refund of Share Application Money	--	--	--	(3,064.00)	--	--	--	--	--	--
Share application money pending allotment	--	--	39,843.50	--	--	--	--	--	--	--
Purchase of equity shares/CCDs	--	--	--	--	--	71,113.00	--	--	--	--
Sale of Equity Shares	--	--	--	--	--	1,754.88	--	--	--	--
Refund of Advance for purchase of equity	--	--	--	--	--	17,723.00	--	--	--	--
Interest free loans given (net)	--	--	--	--	--	23,532.77	--	--	--	--
Advances (taken)	--	--	--	--	--	--	(870.76)	--	--	(14,475.00)
Balances as at year end	--	--	39,843.50	--	--	--	--	--	--	--
Share application money pending allotment	--	--	--	--	--	2,419.00	--	--	--	--
Advances for purchase of equity	--	(1,386.89)	(1,426.32)	--	--	--	(15,345.76)	--	--	(14,475.00)
Advances payable	--	--	--	--	--	62,235.36	--	--	--	--
Interest free loans receivable	--	--	--	--	85,768.13	--	--	--	--	--



Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

(b) Material Related party transactions

Rupees in Lakhs

	Transactions		Balances	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Purchase of equity shares/CCDs				
Greenko Wind Projects Private Limited	-	30,000.00	81,899.99	81,899.99
Greenko Hatkoti Energy Private Limited	-	-	3,400.00	3,400.00
Sneha Kinetic Power Projects Private Limited	-	5,100.00	24,445.22	24,445.22
Technology House (India) Private Limited	-	1,450.00	1,450.00	1,450.00
Tejassarnika Hydro Energy Pvt. Ltd.	-	27,500.00	32,783.21	32,783.21
Sale of equity shares:				
Tejassarnika Hydro Energy Pvt. Ltd.	-	1,754.87	-	1,754.87
Refund for purchase of equity				
Greenko Wind Projects Private Limited	-	17,000.00	-	-
Interest free loans to subsidiaries				
AMR Power Private Ltd	-	3,995.93	1,189.76	1,188.14
Greenko Wind Projects Private Limited	38,453.49	19,980.10	58,433.60	19,980.10
LVS Power Pvt Ltd	4,376.60	1,818.90	6,227.74	1,851.14
Sneha Kinetic Power Projects Private Limited	(10,144.31)	14,504.24	7,308.08	17,452.39
Tejassarnika Hydro Energies Private Limited	-	3,424.68	10,550.09	10,550.09
Advance taken from Fellow Subsidiary:				
Greenko Clean Energy Projects Pvt Ltd	870.76	14,475.00	15,345.76	14,475.00



(SPACE INTENTIONALLY KEPT BLANK)

Greenko Energies Private Limited
Notes annexed to and forming part of financial statements

Note 30 : Other information

(a) Lease obligations

The Company has entered into certain operating lease agreements which are cancellable in nature and amounts paid under such agreements amounting to Rs.31.43 lakhs (2015 - Rs.30.02 lakhs) has been disclosed as rent under Note No.25.

(b) Earnings per share (EPS)

	March 31, 2016	March 31, 2015
Nominal Value of Equity Shares (Rupees per Share) fully paid up	10	10
Loss after Tax (Rupees)	(3,769.57)	(3,960.31)
Weighted average number of Equity Shares outstanding during the year considered for calculation of Basic EPS	675,846,650	671,528,632
Add: Dilutive Potential Equity Shares	-	-
Weighted average number of Equity shares outstanding during the year considered for Diluted EPS	675,846,650	671,528,632
EPS - Basic (Rupees)	(0.56)	(0.59)
EPS - Diluted (Rupees)	(0.56)	(0.59)

(c) Consumption of raw materials

Description	2015-16		2014-15	
	Quantity in MT	Rupees in lakhs	Quantity in MT	Rupees in lakhs
Rice Husk	46,184	1,572.37	38,415	1,255.90
Ground Nut Husk	4,841	184.94	11,834	381.95
Other biomass products	5,329	133.87	10,601	244.89
	56,354	1,891.17	60,850	1,882.73

(d) Consumption of raw materials, stores and spare parts

Description	2015-16		2014-15	
	Rupees in lakhs	%	Rupees in lakhs	%
Indigenous				
Raw Materials	1,891.17	100	1,882.73	100
Stores and Spare parts	98.32	100	75.76	100

(e) Payment in foreign currency (cash basis)

	Rupees in lakhs	
	2015-16	2014-15
Purchase of Software license	6.17	-

Note 31 : The information regarding micro, small and medium enterprises has been identified on the basis of information available with the company.

Note 32 : Previous year's figures have regrouped, recast and reclassified where ever necessary to conform to current year's classification.

For BRAHMAYYA & CO
FR No: 000511S
Chartered Accountants

N. Sri Krishna
Partner
M.No: 26575



For and on behalf of the Board of Directors
Greenko Energies Private Limited

Anil Kumar .C Mahesh Kolli
Director Director
DIN: 00220806 DIN: 01412010

Purusotham.C
Director (Finance) and Company Secretary
DIN: 01317059

Place : Chennai
Date: August 31, 2016

Place : Hyderabad
Date: August 31, 2016