

**GREENKO ENERGIES
PRIVATE LIMITED**

13TH

ANNUAL REPORT

2012-13

**GREENKO ENERGIES PRIVATE LIMITED
DIRECTORS' REPORT**

To

The Members of
Greenko Energies Private Limited

Your Directors take pleasure in presenting the Thirteenth Annual Report of the Company for the year ended on March 31, 2013.

FINANCIAL PERFORMANCE:

The financial performance of the Company for the year is as follows.

Particulars	Rs. In Lakhs	
	2012-13	2011-12
Revenue from operations	3,503.24	2,950.34
Other Income	1,427.46	1,602.16
Total Income	4,930.70	4,552.50
Profit before Finance Charges & Depreciation	1,471.49	1,374.58
Finance Charges	1,064.00	988.85
Depreciation	279.42	278.83
Profit before Taxation	128.07	106.90
Current Tax & Deferred Tax	67.09	58.53
Profit After Taxation	60.98	48.37

OPERATIONS & BUSINESS:

During the year under report your company has generated and sold 55.36 Million KWH of Power to Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL). Company sold the Emission reductions for Rs. 901.64 Lakhs. Your Directors hope of better financial results in the coming years.

GROUP ACTIVITIES:

Your Company is doing well in its business activities. The subsidiary Companies which are operating power projects are functioning satisfactorily. The projects under active construction are progressing well. Your Company continues to expand its business through further acquisition of operating & under development power projects in India. Your company is able to infuse required funds for the successful implementation of the projects and for efficient operations. Brief particulars of the group activities are given as below for your information.

HYDRO

During the year, the Greenko Group added 61 MW of operating hydro assets in Himachal Pradesh and 425 MW of development assets in Himachal Pradesh and Arunachal Pradesh. The hydro portfolio now consists of 165.25 MW of operating assets and 187.6 MW under construction and 660 MW in development stage. The hydro portfolio performed well, with an average Plant Load Factor ("PLF") of 34%. The Projects under construction are progressing well as per schedule.

WIND

The Group has 934.0 MW of wind assets in active development, plus three 100+ MW utility scale wind power projects are in varying stages of construction.

Post year end, Phase-1 of Ratnagiri Wind Farm (65.6 MW) in Maharashtra has been commissioned. Phase-2 (36.0 MW) is on track to begin construction in late 2013. Basavana Bagewadi Wind Farm, our second major wind project is in construction stage. Our third major wind project is Balavenkatapuram1 Wind Farm (200.0 MW) in Andhra Pradesh. Due to regulatory uncertainty in Rajasthan, our Tanot-Jaisalmer (100 MW) and Devgarh (49.5 MW) projects have been delayed.

GAS

The 36.8 MW LVS gas plant continued to generate operating profits. Our 58.4 MW Greenko Godavari gas plant remains delayed due to non availability of Gas.

BIO MASS

The Group's 41.5 MW of biomass assets continued to perform below long term expectations, with individual operating PLFs ranging from 19.9% to 80.4%. Whilst biomass power offers stable generation, it does not offer the scope for growth that can be achieved with our hydro or wind assets. We are currently evaluating all options to improve the return on capital from the existing operating assets.

INCREASE OF AUTHORIZED CAPITAL:

The Company increased its authorized Capital to Rs.800 Crores with the due approval of members.

ALLOTMENT OF SHARES:

The Company has allotted 6,34,87,577 Equity Shares of Rs. 10 each during the financial year 2012-13 and 8,94,62,040 Equity shares of Rs. 10 each after 31st March 2013, to Greenko Mauritius, the Holding Company.

SUBSIDIARY COMPANIES & INVESTMENTS

THE FOLLOWING COMPANIES WERE SUBSIDIARY COMPANIES OF YOUR COMPANY AS ON 31.03.2013			
Sl. No	under Section 4 (1) (a) & (b) of the Companies Act' 1956	Sl. No	under Section 4 (1) (c) of the Companies Act' 1956
A	BIO-MASS	A	HYDRO
1	Roshni Powertech Private Limited	1	Rithwik Energy Generation P Ltd
2	Ravikiran Power Projects Private Ltd	2	Perla Hydro Power Private Limited
3	ISA Power Private Limited	3	Kumaradhara Power Private Limited
4	Ecofren Power Projects Private Limited	4	AT Hydro Private Limited
B	HYDRO	5	Tarela Power Private Limited
5	AMR Power Private Limited	6	Cimaron Constructions Private Limited
6	Astha Projects (India) Private Limited	7	Him Kailash Hydro Power P Limited
7	Sai Spurthi Power Private Limited	8	Kukke Hydro Projects Private Limited
8	Greenko Hatkoti Energy Private Ltd*	9	Anubhav Hydel Power Private Limited
9	Hemavathy Power & Light P Ltd	10	Sri Sai Krishna Hydro Energies P Ltd
10	Jasper Energy Private Limited	11	Ranga Raju Warehousing P Ltd
11	Sai Teja Energies Private Limited	B	WIND
12	Sneha Kinetic Power Projects P Limited	12	Fortune Five Hydel Projects P Limited
13	Technology House (India) Private Ltd*	13	Ratnagiri Wind Power Projects P Ltd
14	Sunam Power Private Limited	14	Guttaseema Wind Energy Company P Ltd
15	Tejassarnika Hydro Energy Private Ltd	15	Rayalaseema Wind Energy Co P Ltd
16	Greenko Zenith Energy Solutions P Ltd	16	Belum Wind Infrastructure P Limited
17	Mechuka Hydro Power Pvt. Ltd	17	Tanot Wind Power Ventures P Limited
18	Kangtangshiri Hydro P Pvt. Ltd	18	Animala Wind Power Private Limited
19	Rapum Hydro Power Pvt. Ltd	19	Rayala Wind Power Company P Ltd
C	WIND	20	Vyshali Energy Private Limited
20	Greenko Wind Projects Private Limited	21	Kanhur Wind Power Private Limited
D	GAS	22	Devgarh Wind Projects P Limited
21	LVS Power Private Limited	C	GAS
		23	Greenko Godavari Power P P Ltd

The Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies is attached herewith, as annexure.

The following Companies have become 100% subsidiary of your company after 31st March' 2013:

- Sobra Hydro Energies Private Limited
- Greenko Solar Energy Private Limited

DIRECTORS:

Mr. N.Vivekananda retires by rotation and being eligible offers himself for reappointment. The Board recommends his appointment.

AUDITORS:

M/s Brahmayya & Co, Chartered Accountants (Firm No. 000511S), statutory auditors of the Company holds office till conclusion of ensuing Annual General Meeting. They have confirmed their eligibility and willingness to accept office of the statutory Auditors, if appointed. Your Board of Directors recommends reappointment of M/s Brahmayya & Co, as Statutory Auditors of the Company for the financial year 2013-14 for your approval.

AUDITORS' REPORT:

Your Directors have reviewed the Auditors' Report for the financial year 2012-13 and noted that there are no qualifications/ observations in their report.

COST AUDITORS' REPORT:

The Cost Audit Report along with Annexures for the Financial Year 2011-12 was filed within the stipulated period on 28.02.2013 to the Ministry of Corporate Affairs, Government of India.

The Cost Audit Report along with Annexure for the Financial Year 2012-13 issued by M/s. DZR & Co., Cost Accountants, Hyderabad, has been submitted to the Company and taken on record by the Board. The report shall be filed with Ministry of Corporate Affairs, Government of India within the stipulated time.

M/s DZR & Company, Cost Accountants, have been appointed as Cost Auditors of the Company for the financial year 2013-14.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:

i) that in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;

(ii) that 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 of the company for that year;

(iii) that the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;

(iv) that the Directors had prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required to be given pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given below:

1. Conservation of Energy – The Company is identifying areas for Conservation of Energy.
2. Technology absorption is not relevant to the Company.
3. Foreign Exchange – Cash basis (Rs. In Lakhs)

Sl. No.	Particulars	2012-13	2011-12
1	Earnings	1889.72	77.78
2	Outgo	-	1.78

4. Research & Development - No R & D work has been carried out during the year.


PARTICULARS OF EMPLOYEES:

During the year under review there was no employee drawing remuneration prescribed under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGMENTS:

Your Directors wish to place on record their appreciation for the co-operation and continued support extended to the Company by the Financial Institutions, Banks, and officials of concerned Government Departments. Your Directors also like to express their gratitude to the Employees, Shareholders and other Associates of the Company for their continued support.

For and on behalf of the Board


Anil Kumar Chalamalasetty
Director


C. Parushotham
Director (Finance) & Company Secretary

Hyderabad
Date: 13.09.2013

Independent Auditors' Report

To the Members of Greenko Energies Private Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Greenko Energies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

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

3. Auditor's Responsibility

- a. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- b. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- c. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion



4. 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, 2013;
- 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.

5. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- b. As required by Section 227(3) of the Act, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. 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.
 - iii. 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.
 - iv. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956;



- v. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956.

Place: Chennai

Date :September 13, 2013

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



**N. Sri Krishna
Partner
Membership No.26575**

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT (REFERRED TO IN
PARAGRAPH 5(a) OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF
GREENKO ENERGIES PRIVATE LIMITED)**

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a phased programme of physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and nature of fixed assets. In accordance with the programme, fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the disposal of fixed assets during the year are not substantial and do not affect the going concern assumption.
- (ii) (a) In our opinion and according to the information and explanations given to us, the inventory has been physically verified by the Management during the year.
- (b) In our opinion and according to the information and explanations given to us the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the Inventory records, the Company is maintaining proper records of inventory.
- (iii) (a) According to the information and explanations given to us the Company has granted unsecured interest free loans to 6 parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding during the year is Rs 15795.11 lacs and the closing balance as at 31st March 2013 is Rs 9259.71 lacs. The terms and conditions of the loans granted to the above parties are not prejudicial to the interest of the company.
- (b) According to the information and explanations given to us the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (e), (f) and (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.



- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of products. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanation given to us, we are of the opinion that the Company has not entered into any contracts and arrangements during the year that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clause (v) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (vi) The Company has not accepted any deposits and consequently the provisions of Sec 58A, 58AA or any other relevant provisions of the Companies Act, 1956 are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) 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 clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and 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.
- (ix) (a) According to the records of the Company and the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Service tax and other material statutory dues as applicable with the appropriate authorities. There are no undisputed amounts payable in respect of statutory dues, which are outstanding as at 31st March, 2013 for a period of more than six months from the date they become 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, 2013 is given below.

Name of the Statute	Nature of Dues	Amount Disputed (In Rs.)	Period to which amount relates	Forum where dispute is Pending
The Income Tax Act, 1961	Income Tax	30,48,788	Assessment Year 2005-06	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	17,84,950	Assessment Year 2007-08	Income Tax Appellate Tribunal

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during financial year covered by our audit and the immediately preceding financial year.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayments of its dues to financial institution or banks or debenture holders as at balance sheet date.
- (xii) Based on our examination of documents and records and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a Chit fund or a Nidhi Mutual benefit fund/ society. Therefore, the provisions of paragraph 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the Company has given corporate guarantees for loans taken by subsidiaries and others from banks or financial Institutions during the year. However the guarantees are not considered, prima facie, prejudicial to the interests of the company.
- (xvi) The company has not obtained any term loans during the year and accordingly the provisions of this clause is not applicable.



- (xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company and after placing reliance on the reasonable assumptions made by the company for classification of long term and short term usages of funds we are of the opinion that Prima Facie, no funds raised on short term basis have been used for long term usages.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued debentures during the year. Accordingly, no security or charge needs to be created.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Place: Chennai

Date: September 13, 2013

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



**N. Sri Krishna
Partner
Membership No.26575**

Greenko Energies Private Limited
Balance Sheet as at March 31, 2013

Rupees in lakhs

	Note	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	38,525.17	32,176.42
(b) Reserves and surplus	3	87,274.68	68,167.42
2. Share application money pending allotment	4	474.82	1,823.58
3. Non-current liabilities			
(a) Long-term borrowings	5	-	7,506.84
(b) Deferred tax liabilities (Net)	6	309.02	267.76
(c) Long-term provisions	7	53.28	38.28
4. Current liabilities			
(a) Short-term borrowings	8	503.77	-
(b) Trade payables	9	16.66	21.99
(c) Other current liabilities	10	37,014.87	4,910.32
		164,172.27	114,912.61
II. ASSETS			
Non-current assets			
1. (a) Fixed assets	11		
(i) Tangible assets		3,240.13	3,399.69
(ii) Capital work-in-progress		1,149.78	265.58
(b) Non current investments	12	93,564.23	68,613.39
(c) Long-term loans and advances	13	44,473.88	9,926.27
2. Current assets			
(a) Current investments	14	23.24	23.76
(b) Inventories	15	166.23	254.22
(c) Trade receivables	16	1,625.91	3,814.10
(d) Cash and bank balances	17	2,566.77	7,605.98
(e) Short-term loans and advances	18	16,449.34	20,852.97
(f) Other current assets	19	912.76	156.65
		164,172.27	114,912.61
Significant Accounting Policies	1		

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

For BRAHMAVETA & CO
FR No: 0005115



N. Sri Krishna
Partner
M.No: 26575

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

Anil Kumar, C
Director

Mahesh Kolli
Director

Purushotham, C
Director (Finance) and Company Secretary

Place : Chennai
Date : September 13, 2013

Place : Hyderabad
Date : September 13, 2013

Greenko Energies Private Limited

Statement of Profit and Loss for the year ended March 31, 2013

Rupees in Lakhs

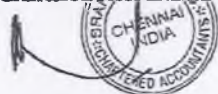
	Note	Year ended March 31, 2013	Year ended March 31, 2012
I. Revenue from operations:			
a) Revenue from operations	20	3,503.24	2,950.34
b) Income from sale of power consequent to provisional tariff determined by regulators relating to earlier years		-	1,085.78
II. Other income	21	1,427.46	516.38
III. Total Revenue		4,930.70	4,552.50
IV. Expenses:			
Cost of materials consumed	22	2,211.55	1,849.98
Employee benefits expense	23	490.44	522.53
Finance costs	24	1,064.01	988.85
Depreciation and amortization expense		279.41	278.83
Other operating expenses	25	371.08	362.12
Other expenses	26	386.14	443.29
Total expenses		4,802.63	4,445.60
V. Profit before tax		128.07	106.90
VI. Tax expense:			
- Current tax		25.83	21.39
- Deferred tax		41.26	37.14
VII. Profit for the year		60.98	48.37
VIII. Earnings per share:			
(Per equity share of Rs. 10 each fully paid-up)			
Basic and Diluted (in Rupees)		0.02	0.02
Significant Accounting Policies	1		

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

For BRAHMAYYA & CO

FR No: 0005115

Chartered Accountants

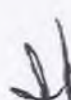


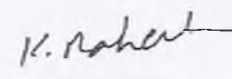
N. Sri Krishna


Partner

M.No: 26575

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


Anil Kumar. C
Director


Mahesh Kolli
Director


Purushotham. C
Director (Finance) and Company Secretary

Place : Chennai

Date: September 13, 2013

Place : Hyderabad

Date: September 13, 2013

Greenko Energies Private Limited
Cash Flow Statement for the year ended March 31, 2013

Rupees in Lakhs

	For the year ended March 31, 2013	For the year ended March 31, 2012
A. Cash flows from operating activities		
Profit before tax	128.07	106.90
Adjustments for:		
Add: Depreciation and amortization expense	279.41	278.83
Add: Diminution in value of current investments	1.06	3.12
Add: Bad advances written off	3.81	30.00
Add: Finance costs	1,064.01	988.85
Less: Dividend income from current investments	(8.08)	(0.79)
Less: (Gain)/Loss on sale of fixed assets	10.73	(2.27)
Less: Profit from sale of investments	(808.95)	(47.50)
Less: Interest on fixed deposits	(425.84)	(398.96)
Operating profit before working capital changes	244.22	988.18
(Increase)/Decrease in trade receivables	2,188.19	(3,003.01)
(Increase)/Decrease in inventories	87.99	82.81
(Increase)/Decrease in loans and advances	(13,437.57)	339.37
Increase/(Decrease) in current liabilities and provisions	8.35	(6,567.61)
Cash generated (used in) operations	(10,908.82)	(8,190.26)
Income taxes paid	(43.18)	(80.11)
Net cash used in operating activities	(10,952.00)	(8,270.37)
B. Cash flows from investing activities		
Purchase of fixed assets	(721.80)	(531.27)
Proceeds from sale of fixed assets	36.32	7.72
Dividend income from current investments	8.08	0.79
Interest on fixed deposits	515.82	381.72
Investments/purchase of shares in subsidiaries	(21,180.29)	(24,567.08)
Proceeds from sale of shares in subsidiaries	-	12,950.00
Purchase of current investment	(0.55)	(0.53)
Advance for purchase of equity	(19,159.31)	(5,790.95)
Net cash used in investing activities	(40,501.73)	(17,549.60)
C. Cash flows from financing activities		
Proceeds from borrowings	503.77	18,358.38
Repayment of borrowings	(7,764.81)	(14,931.69)
Proceeds from issuance of share capital	5,066.13	4,796.41
Proceeds from securities premium	15,198.41	14,389.24
Proceeds from share application money	34,524.82	9,130.50
Repayment of share application money	-	(4,000.00)
Interest paid	(1,113.80)	(976.22)
Net cash from financing activities	46,414.52	26,766.62
Increase/(Decrease) in cash and cash equivalents during the year	(5,039.21)	946.65
Cash and cash equivalents at the beginning of the year	7,605.98	6,659.33
Cash and cash equivalents at the end of the year	2,566.77	7,605.98

Vide our report of even date attached.



N. Sri Krishna
Partner
M.No: 26575

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

Anil Kumar C
Director

Mahesh Kolli
Director

Purnanatham C
Director (Finance) and Company Secretary

Place : Chennai
Date: September 13, 2013

Place: Hyderabad
Date: September 13, 2013

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

1. Significant Accounting Policies

a) Accounting assumptions

These accounts are prepared under the historical cost convention on a going concern basis, with revenues recognized and expenses accounted on their accrual and amounts determined as payable or receivable during the year, except those with significant uncertainties, and comply in all material respect with the applicable Accounting Standards notified under section 211(3C) of the Companies Act, 1956 ("the Act") and the relevant provisions of 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.

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 XIV of the Companies Act, 1956. 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) 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.

i) 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.

j) 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.

k) 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.



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

Note 2 : Share capital
a. Share capital

	As at March 31, 2013		As at March 31, 2012	
	Number	Rupees in lakhs	Number	Rupees in lakhs
Authorised				
Equity Shares of Rs. 10 each	390,000,000	39,000.00	340,000,000	34,000.00
Issued				
Equity Shares of Rs. 10 each	385,251,735	38,525.17	321,764,158	32,176.42
Subscribed and Paid-up				
Equity Shares of Rs. 10 each fully paid-up	385,251,735	38,525.17	321,764,158	32,176.42
		38,525.17		32,176.42

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

	As at March 31, 2013		As at March 31, 2012	
	Number	Rupees in lakhs	Number	Rupees in lakhs
Shares outstanding at the beginning of the year	321,764,158	32,176.42	264,335,033	26,433.50
Shares issued during the year	63,487,577	6,348.75	57,429,125	5,742.92
Shares outstanding at the end of the year	385,251,735	38,525.17	321,764,158	32,176.42

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, 2013		As at March 31, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Greenko Mauritius (Holding Company)*	385,251,735	100.00	321,764,158	100.00
	385,251,735	100.00	321,764,158	100.00

* Nominee shares to the extent of 10 (2012 - 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)				
	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
Equity Shares :					
Fully paid-up pursuant to contract(s) without payment being received in cash	-	-	-	-	1,679,000

Note 3 : Reserves and surplus

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
a. Securities Premium Account		
Opening Balance	66,852.38	49,623.64
Add : Securities premium credited on issue of shares	19,046.28	17,228.74
Closing Balance	85,898.66	66,852.38
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	1,265.04	1,216.67
Add: Profit for the year	60.98	48.37
Closing Balance	1,326.02	1,265.04
	87,274.68	68,167.42

Note 4 : Share application money, pending allotment

An amount of Rs. 474.82 lakhs (2012 - Rs.1823.58 lakhs) received from Greenko Mauritius (holding company) towards equity share application money is pending for allotment as at March 31, 2013. The proposed no. of equity shares will be 1,187,066 at a premium of Rs. 30 per equity share and the issuance of shares shall be completed within 180 days from the date of receipt. Further the company has sufficient authorized share capital to cover the share capital amount on allotment shares out of share application money.



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, 2013	As at March 31, 2012
Secured		
(a) Term loans		
From banks	-	6.84
	-	6.84
Unsecured		
(a) Term loans		
From financial institution	-	5,625.00
(b) Optionally Convertible Debentures		
From financial institution	-	1,875.00
	-	7,500.00
	-	7,506.84

i) Secured term loans from banks (other than term loan from Yes Bank) carries interest @ base rate plus 2.75% / prime lending rate. These loans are repayable in 30 quarterly installments alongwith interest from the date of disbursement. These loans are secured against first charge by way of hypothecation of all movable properties including plant and machinery, and all other movable properties both present and future, and mortgage of land, buildings and all other immovable properties both present and future, and additionally secured by personal guarantees of Directors, and lien of fixed deposits of Rs.Nil (2012- Rs. 400.92).

ii) Secured term loan from financial institution carries interest @ 10.5%. The loan is repayable in 97 monthly installments beginning from the date of disbursement. The loan is secured by first charge by way of hypothecation of all movable properties both present and future, and mortgage of land, buildings and all other immovable properties, both present and future, and additionally secured by personal guarantees of Directors, pledge of shares held by the holding company. During the year the loan was fully repaid.

iii) The company has availed unsecured term loan from IDFC which carries interest @ benchmark rate plus spread of 5.73%. The loan is repayable in the 24th month (30% of the loan), 30th month (30% of the loan) and 36th month (40% of the loan) respectively from the disbursement date. The loan is secured by pledge of fully paid unencumbered shares of the company held by Greenko Mauritius (holding company) representing an adjusted market value equivalent to atleast 350% of the loan subject to pledge of atleast 26% of equity share capital of the company, personal guarantees of promoters and non-disposal undertaking for 26% of the shares held in Greenko Wind Projects Private Limited (subsidiary company). The security shall rank pari passu along with the security created to secured Optionally Convertible Debentures.

iv) The company had issued Optionally Convertible Debentures (OCD) to IDFC (OCD holder) which carries a pre tax yield equal to the 19% IRR and redeemable at the end of 36th month from the date of drawal. The OCD holder had also an option to convert OCDs into equity shares between 24th month from the investment date and ending on 36th month at a price determined in an agreed manner. The security shall rank pari passu along with the security created for term loan taken from IDFC referred above.

During the year the unsecured loan and optionally convertible debentures were repaid/redeemed.



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

Note 6 : Deferred tax liabilities (net)

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Deferred tax liability		
On fixed assets	326.31	280.18
Deferred tax asset		
On employee benefits	(17.29)	(12.42)
	309.02	267.76

Note 7 : Long-term provisions

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Provision for employee benefits		
Gratuity	27.48	16.97
Leave encashment	25.80	21.31
	53.28	38.28

Note 8 : Short-term borrowings

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Secured		
Working capital loan from banks	503.77	-
	503.77	-

Working capital loan from bank carries interest @ Base Rate plus 5%. This loan is repayable on demand and renewable for every 12 months.

Working capital loan from bank is secured by first charge on entire current assets and personal guarantees of Mr. Anil Kumar C and Mr. Mahesh Kolli.

Note 9 : Trade payables

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
(a) Dues to Micro, small and medium enterprises (Refer Note No.32)	-	-
(b) Dues to other than Micro, small and medium enterprises		
- Stores and spares	16.66	19.69
- Raw materials	-	2.30
	16.66	21.99

Note 10 : Other current liabilities

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
(a) Current maturities of long-term borrowings		
- From banks	-	78.80
- From financial institution	-	179.17
(b) Interest accrued and due on borrowings	-	49.79
(c) Share application money received for allotment of securities and due for refund	34,050.00	3,306.92
(d) Other payables		
- Creditors for capital goods	9.63	9.58
- Provident Fund and other employee related taxes	5.50	5.63
- Statutory dues payable	12.02	26.11
- Salaries payable	1.66	1.28
- Investment consideration payable	2,855.50	1,184.95
- Other creditors	80.56	68.09
	37,014.87	4,910.32



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

11. Fixed Assets

Rupees in lakhs

Description	Gross Block			Depreciation				Net Block		
	As at April 01, 2012	Additions	Disposals	As at March 31, 2013	As at April 01, 2012	For the Year	On disposals	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
a. Tangible Assets										
Freehold Land	189.17	-	-	189.17	-	-	-	-	189.17	189.17
Buildings	974.74	7.13	-	981.87	231.88	32.75	-	264.63	717.24	742.86
Plant and Machinery	4,111.88	74.00	3.90	4,181.98	1,875.04	217.50	0.18	2,092.36	2,089.62	2,236.84
Furniture and Fixtures	54.39	17.01	-	71.40	13.23	4.29	-	17.52	53.88	41.16
Computers	83.05	14.55	-	97.60	40.26	13.49	-	53.75	43.85	42.79
Office Equipment	101.62	33.55	0.74	134.43	14.71	5.59	0.14	20.16	114.27	86.91
Vehicles	108.20	20.66	67.42	61.44	48.24	5.79	24.69	29.34	32.10	59.96
Total	5,623.05	166.90	72.06	5,717.89	2,223.36	279.41	25.01	2,477.76	3,240.13	3,399.69
Previous year	5,530.98	98.54	6.47	5,623.05	1,945.55	278.83	1.02	2,223.36	3,399.69	-
b. Capital work-in-progress									1,149.78	265.58



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

Note 12 : Non current investments

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Other than Trade Investments (Refer A below) (Unquoted)		
(a) Investments in equity instruments	93,564.22	68,613.38
(b) Investments in government securities	0.01	0.01
	93,564.23	68,613.39

A. Details of other than trade investments

Sl. No.	Name of the Body Corporate	No. of Shares		Extent of Holding (%)		Rupees in lakhs	
		2013	2012	2013	2012	2013	2012
(a)	Investment in equity instruments of subsidiary companies S (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	12,354,100	100	100	2,208.01	1,243.42
	Greenko Zenith Energy Solution Private Limited	100,000	-	100	-	10.00	-
	Greenko Hatkoti Energy Private Limited*	4,900	4,900	49	49	1,140.49	1,140.49
	Greenko Wind Projects Private Limited	339,999,900	200,000,000	72	60	33,999.99	20,000.00
	Hemavathy Light & Power Private Limited	40,000,000	20,000,000	48	32	3,509.75	1,909.75
	ISA Power Private Limited	20,000,000	12,322,715	100	100	2,194.94	1,427.21
	Jasper Energy Private Limited	25,000,000	15,040,000	100	100	2,512.00	1,516.00
	Kangtangshiri Hydro Power Private Limited*	29,400	-	49	-	165.00	-
	Kukde Hydro Power Projects Private Limited	10,000	10,000	4	100	473.45	473.45
	LVS Power Private Limited	39,942,988	39,942,988	50	50	10,784.60	10,784.61
	Mechuka Hydro Power Private Limited*	29,400	-	49	-	185.00	-
	Ravikiran Power Projects Private Limited	12,000,000	12,000,000	100	100	1,337.34	1,337.34
	Rapun Hydro Power Private Limited*	29,400	-	49	-	165.00	-
	Rithwik Energy Generation Private Limited	13,328,500	4,813,834	29	14	1,399.52	548.05
	Roshni Powertech Private Limited	11,500,000	11,500,000	100	100	1,477.59	1,477.59
	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
	Sneha Kinetic Power Projects Private Limited	89,935,000	89,935,000	100	100	11,045.22	11,045.21
	Sunam Power Private Limited	25,000	25,000	100	100	2.50	2.50
	Technology House (India) Private Limited*	20,100	20,100	49	49	219.85	219.85
	Tejassarnika Hydro Energies Private Limited	2,950,109	-	100	-	5,283.21	-
	Visveswarayya Green Power Private Limited	-	50,000	-	100	-	37.15
						93,564.22	68,613.38
(b)	Investment in government securities						
	Government of India - National Savings Certificate					0.01	0.01
						0.01	0.01
						93,564.23	68,613.39

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

\$ Includes unpaid consideration of Rs.2,855.50 lakhs (2012-Rs.1,184.95 lakhs)

Pledge of shares 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 pledged	
	2013	2012
AMR Power Private Limited	2,536,596	2,536,596
Astha Projects (India) Private Limited	13,166,997	13,166,997
Hemavathy Power & Light Private Limited	20,000,000	20,000,000
Jasper Energy Private Limited	4,520,000	4,520,000
Rithwik Energy Generation Private Limited	-	1,423,602
Sneha Kinetic Power Projects Private Limited	45,900,000	45,900,000
Tejassarnika Hydro Energies Private Limited	1,504,505	-



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

Note 13 : Long-term loans and advances

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Unsecured, considered good		
a. Capital advances	11.83	341.13
b. Security deposits	41.30	40.60
c. Interest free loans to related parties	20,177.55	2,378.00
d. Other loans and advances		
i) Advance for purchase of equity - Subsidiaries	23,437.24	5,995.00
ii) Advance for purchase of equity - Others	639.72	1,022.65
iii) MAT credit entitlement	43.30	43.30
iv) Advance income-tax (net off provision)	122.94	105.59
	44,473.88	9,926.27

Note 14 : Current investments

	Rupees in lakhs			
	As at March 31, 2013		As at March 31, 2012	
	No. of Units	Amount	No. of Units	Amount
SBI Infrastructure Fund (Face value of Rs. 10 each per unit)	200,000	14.56	200,000	15.62
Reliance Liquid Plus Fund (Face value of Rs. 1,001.09 each per unit)	867,334	8.68	760,443	8.14
		23.24		23.76

Note 15 : Inventories

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
a. Raw materials and components	35.82	124.12
b. Stores and spares	130.41	130.10
	166.23	254.22

Note 16 : Trade receivables

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	226.99	421.58
Others	1,398.92	3,392.52
	1,625.91	3,814.10



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

Note 17 : Cash and bank balances

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Cash and cash equivalents		
a. Cash on hand	11.82	8.32
b. Balances with banks		
- In current accounts	1,375.71	3,206.01
- Deposits with banks for less than 3 months maturity	-	2,566.25
c. Other bank balances		
- Deposits with banks for more than 3 months maturity	1,166.72	324.99
- Deposits with banks held as security against the borrowings of the company/subsidiaries	-	1,490.41
- Deposits with banks held as security against guarantees	12.52	10.00
	2,566.77	7,605.98

Note 18 : Short-term loans and advances

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
Unsecured, considered good		
a. Interest free loans to related parties	13,493.50	18,682.50
b. Others		
i) Prepaid expenses	40.36	38.13
ii) Advances to suppliers	1,827.70	1,351.63
iii) Other advances	1,087.78	780.71
	16,449.34	20,852.97

Note 19 : Other current assets

	Rupees in lakhs	
	As at March 31, 2013	As at March 31, 2012
a. Interest accrued but not due on deposits	66.66	156.65
b. Other receivables	846.10	-
	912.76	156.65

Note 20 : Revenue from operations

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Sale of electrical energy	2,601.60	2,871.24
Sale of emission reductions	901.64	79.10
	3,503.24	2,950.34

Note 21 : Other income

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest on fixed deposits	425.84	398.96
Dividend income	8.08	0.79
Profit on sale of investments	808.95	47.50
Liabilities no longer required written back	81.20	-
Insurance claims received	0.33	1.37
Profit on sale of fixed assets	-	2.27
Gain on exchange fluctuations (net)	103.06	65.49
	1,427.46	516.38



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

Note 22 : Cost of materials consumed

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Raw materials	1,499.97	1,849.98
Purchase of emission reductions	711.58	-
	2,211.55	1,849.98

Note 23 : Employee benefits expense

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Salaries	391.84	422.55
Company's contribution to PF and other funds	27.44	33.87
Gratuity and leave encashment	21.04	25.56
Staff welfare expenses	50.12	40.55
	490.44	522.53

Note 24 : Finance costs

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Interest on borrowings	915.39	867.38
Other borrowing costs	134.87	88.24
Bank charges	13.75	33.23
	1,064.01	988.85

Note 25 : Other operating expenses

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Consumption of stores and spares	114.73	131.63
Operation and maintenance expenses	182.44	152.13
Repairs to plant and machinery	32.52	23.83
Repairs to others	41.39	54.53
	371.08	362.12

Note 26 : Other expenses

	Rupees in lakhs	
	For the year ended March 31, 2013	For the year ended March 31, 2012
Rent	21.71	17.77
Rates and taxes	50.64	72.05
Insurance	29.85	28.68
Travelling and Conveyance expenses	62.27	117.74
Printing and stationery	8.18	13.41
Communication expenses	35.60	38.41
Security charges	32.34	28.80
Legal and professional charges	82.14	49.09
Diminution in value of current investments	1.06	3.12
Payments to the auditor		
- Statutory audit	14.05	14.04
Bad advances written off	3.81	30.00
Loss on sale of Fixed Assets	10.73	-
Miscellaneous expenses	33.76	30.18
	386.14	443.29



Greenko Energies Private Limited

Notes annexed to and forming part of financial statements

Note 27 : Contingent liabilities and commitments

- a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for Rs.Nil (2012 - Rs.810.12 lakhs).
- b) Towards investment in equity shares of subsidiaries (net of advances towards purchase of Equity) Rs.546.42 lakhs (2012 - Rs.546.42 lakhs).
- c) Towards Income Tax Demand - with respect to Revenue Recognition - Disputed by the Company - Rs.48.34 lakhs (2012 - Rs. 604.18 lakhs)
- d) Corporate guarantees and pledge of fixed deposits given in favour of Bankers for the loans availed by the company and its subsidiaries - Rs.177,083.60 lakhs (2012 - Rs.132,229.48 lakhs).

Note 28 : 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 interim 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. Final tariff is yet to be determined by the Appellate Tribunal.

During the year 2011-12, the company recognized the revenue pertaining to earlier periods as determined by the Appellate Tribunal's interim order.

During the year, Appellate Tribunal passed orders refixing certain parameters and directing APERC to re-determine the tariff payable since April, 2010. These orders are challenged before Honourable Supreme Court and the cases are pending.

Subsequent to the year end, APERC has issued an order dated June 22, 2013 deciding the tariff which will result in the company potentially benefiting from more than the tariff recognized as per the interim order.



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

Note 29 : 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	
	2013	2012	2013	2012
Projected benefits obligation at the beginning of the year (As	33.96	20.18	21.30	11.95
Current service cost	11.12	10.25	9.65	9.09
Interest cost	2.90	1.64	1.64	0.87
Actuarial loss/(gain)	(1.48)	2.10	(2.51)	2.01
Benefits paid	(0.22)	(0.21)	(4.28)	(2.62)
Projected benefit obligation at the end of the year (As at March 31)	46.28	33.96	25.80	21.30
Amounts recognized in the Balance Sheet				
Projected benefit obligation at the end of the year	46.28	33.96	25.80	21.30
Fair value of Plan Assets at the end of the year	18.79	16.99	—	—
Funded Status of the Plan - (asset)/liability	(18.79)	(16.99)	—	—
	27.49	16.97	25.80	21.30
Change in Fair Value of Assets				
Fair value of Plan Assets at the beginning of the year	16.99	15.79	—	—
Expected Return on Plan Assets	1.54	1.41	—	—
Actual Contributions	0.50	—	4.28	2.62
Actuarial Gain/(Loss)	(0.02)	—	—	—
Benefits paid	(0.23)	(0.21)	(4.28)	(2.62)
Fair value of Plan Assets at the end of the year	18.78	16.99	—	—
Cost	For the year ended March 31, 2013	For the year ended March 31, 2012	For the year ended March 31, 2013	For the year ended March 31, 2012
Current service cost	11.12	10.25	9.65	9.09
Interest cost	2.90	1.64	1.64	0.87
Expected return on plan assets	(1.54)	(1.41)	—	—
Net actuarial (gain)/loss recognized in the year	(1.47)	2.09	(2.51)	2.01
Net Cost	11.01	12.57	8.78	11.97

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, 2013	For the year ended March 31, 2012
Discount rate	8.06%	8.57%
Salary escalation rate (per annum)	7.00%	7.00%
Expected rate of return on plan assets	9.00%	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.27.44 lakhs (2012 - Rs.33.87 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 30 : Related party transactions

(a) Names of related parties and description of relationship

Description of relationship	Names of the related parties
Ultimate Holding Company	Greenko Group Plc
Holding Company	Greenko Mauritius
Fellow Subsidiaries	Black Hawk Corporation Greenko HP Greenko Wind Projects Generations (Mauritius) Limited # Glory Corporation Limited
Fellow Subsidiary's Subsidiaries	Tanco Limited Elger Compnay Limited *
Subsidiary Companies	AMR Power Private Limited Animala Wind Power Private Limited Anubhav Hydel Power Private Limited * Astha Projects (India) Private Limited AT Hydro Private Limited * Belum Wind Infrastructure Private Limited Cimaron Constructions Private Limited * Devgarh Wind Projects Private Limited * Ecofren Power & Projects Private Limited Fortune Five Hydel Projects Private Limited Greenko Godavari Power Projects Private Limited Greenko Hatkoti Energy Private Limited Greenko Wind Projects Private Limited Greenko Zenith Energy Solutions Private Limited * Guttaseema Wind Energy Company Private Limited Hemavathy Power & Light Private Limited Him Kailash Hydro Power Private Limited * ISA Power Private Limited Jasper Energy Private Limited Kangtangshiri Hydro Power Private Limited* Kanhur Wind Power Private Limited * Kulke Hydro Projects Private Limited Kumaradhara Power Private Limited * L V S Power Private Limited Mochuka Hydro Power Private Limited* Perla Hydro Power Private Limited Ranga Raju Warehousing Private Limited * Rapum Hydro Power Private Limited * Ratnagiri Wind Power Projects Private Limited Ravikiran Power Projects Private Limited Rayala Wind Power Company Private Limited Rayalaseema Wind Energy Company Private Limited Rithwik Energy Generation Private Limited Roshni Powertech Private Limited Sai Spurthi Power Private Limited Sai Teja Energies Private Limited Sneha Kinetic Power Projects Private Limited Sri Sai Krishna Hydro Energies Private Limited * Sunam Power Private Limited Tanot Wind Power Ventures Private Limited Tarela Power Limited * Technology House (India) Private Limited Tejassarnika Hydro Energies Private Limited * Visveswarayya Green Power Private Limited# Vyshali Energy Private Limited

* Relationship with the above mentioned parties has come into existence during the year.

Relationship with the above mentioned parties has ceased to exist on account of sale of investment during the year.



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

(a) Related party transactions

Rupees in lakhs

Transactions and balances	Ultimate Holding Company		Holding Company		Subsidiaries		Subsidiary of Fellow Subsidiaries	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Equity shares allotted (including securities premium)	--	--	25,395.03	22,971.66	--	--	--	--
Refund of share application money	--	--	--	(4,000.00)	--	--	--	--
Share application money pending allotment	--	--	474.82	1,823.58	--	--	--	--
Share application money received for allotment of securities and due for refund	--	--	34,050.00	3,306.92	--	--	--	--
Purchase of equity shares	--	--	--	--	21,360.31	24,982.16	--	--
Sale of equity shares	--	--	--	--	--	12,903.00	--	--
Advance for purchase of equity	--	--	--	--	22,937.24	5,100.00	--	1,600.00
Refund of Advance for purchase of equity	--	--	--	--	(3,295.00)	--	--	--
Interest free loans given/(refunded) (net)	--	--	--	--	12,610.56	(1,116.61)	--	35.88
Advances (taken)/repayment	--	--	--	--	--	4,771.64	--	2,418.69
Purchase of emission reductions	--	--	--	--	711.58	--	--	--
Sale of emission reductions	901.64	79.10	--	--	--	--	--	--
Balances as at year end								
Share application money pending allotment	--	--	474.82	1,823.58	--	--	--	--
Share application money received for allotment of securities and due for refund	--	--	34,050.00	3,306.92	--	--	--	--
Advance for purchase of equity	--	--	--	--	23,437.24	4,395.00	--	1,600.00
Trade receivables	889.44	--	--	--	--	--	--	--
Interest free loans given (net)	--	--	--	--	33,671.06	20,870.43	--	35.88



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

(b) Related party transactions

	Transactions		Balances	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Rupees in lakhs				
Purchase of equity shares:				
Fortune Five Hydel Projects Private Limited	-	600.00	-	-
Jasper Energy Private Limited	-	-	2,512.00	1,516.00
Greenko Wind Projects Private Limited	13,999.99	19,999.00	33,999.99	20,000.00
Sneha Kinetic Power Projects Private Limited	-	3,740.90	11,045.22	11,045.22
Sale of equity shares:				
Fortune Five Hydel Projects Private Limited	-	1,650.00	-	-
Ratnagiri Wind Power Projects Private Limited	-	10,500.00	-	-
Vyshali Energy Private Limited	-	800.00	-	-
Advance/(Refund) for purchase of equity:				
Astha Projects (India) Private Limited	(2,500.00)	2,500.00	-	2,500.00
Greenko Hatkoti Energy Private Limited	(550.00)	-	-	550.00
Greenko Wind Projects Private Limited	8,542.34	500.00	9,042.34	500.00
Hemavathy Power & Light Private Limited	-	1,600.00	-	1,600.00
Jasper Energy Private Limited	-	500.00	-	500.00
Kukke Hydro Projects Private Limited	-	-	-	150.00
Sneha Kinetic Power Projects Private Limited	6,260.00	-	6,260.00	-
Technology House India Private Limited	-	-	-	95.00
Tejassarnika Hydro Energies Private Limited	8,134.90	-	8,134.90	-
Visweswarrayya Green Power Private Limited	-	-	-	100.00
Interest free loans given/(refunded):				
AMR Power Private Ltd	-	755.81	3,678.35	3,864.95
Astha Projects (India) Private Limited	-	(2,879.90)	310.01	71.31
Ecofren Power Projects Private Limited	-	(711.27)	241.03	1,086.27
Fortune Five Hydel Projects Private Limited	-	(112.30)	-	-
Greenko Godavari Power Projects Private Limited	-	126.20	154.79	151.62
Greenko Hatkoti Energy Private Limited	-	181.97	926.45	298.98
ISA Power Private Limited	-	(673.63)	214.26	943.34
Jasper Energy Private Limited	-	84.87	2,797.07	2,820.84
Kukke Hydro Projects Private Limited	-	559.14	1,209.04	605.53
LVS Power Private Limited	-	199.65	347.76	199.65
Ravikiran Power Projects Private Limited	-	(1,677.90)	226.05	1,456.41
Rithwik Energy Generation Private Limited	(2,034.47)	537.14	2,102.96	4,137.42
Roshni Powertech Private Limited	-	241.05	1,922.15	2,792.22
Sneha Kinetic Power Projects Private Limited	-	2,026.42	2,131.16	2,135.98
Tejassarnika Hydro Energies Private Limited	15,668.40	-	15,668.40	-
Advances (taken)/repayment:				
Hemavathy Power & Light Private Limited	-	2,418.69	-	-
LVS Power Private Limited	-	3,220.45	-	-
Sai Spurthi Power Private Limited	-	1,551.19	-	-
Purchase of emission reductions:				
AMR Power Private Ltd	315.32	-	-	-
Ravikiran Power Projects Private Limited	89.83	-	-	-
Rithwik Energy Generation Private Limited	306.43	-	-	-



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

Note 31 : Other Information

(a) Lease obligations

The Company has entered into certain operating lease agreements which are cancelable in nature and amounts paid under such agreements amounting to Rs. 21.71 lakhs (2012 - Rs. 17.77 lakhs) has been disclosed as rent under Note No.26.

(b) Earnings per share (EPS)

	March 31, 2013	March 31, 2012
Nominal Value of Equity Shares (Rupees per Share) fully paid up	10	10
Profit after Tax (Rupees in lakhs)	60.98	48.37
Weighted average number of Equity Shares outstanding during the year considered for calculation of Basic EPS	353,942,793	280,099,824
Add: Dilutive Potential Equity Shares	24,461,369	140,562
Weighted average number of Equity shares outstanding during the year considered for Diluted EPS	378,424,162	280,240,386
EPS - Basic (in Rupees)	0.02	0.02
EPS - Diluted (in Rupees)	0.02	0.02

(c) Consumption of raw materials

Description	March 31, 2013		2012	
	Quantity in MT	Rupees in lakhs	Quantity in MT	Rupees in lakhs
Rice Husk	46,416	871.97	84,968	1,440.23
Ground Nut Husk	13,406	232.66	7,663	141.00
Other biomass products	28,865	395.34	19,420	268.75
	88,687	1,499.97	112,050	1,849.98

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

Description	March 31, 2013		2012	
	Rupees in lakhs	%	Rupees in lakhs	%
Indigenous				
Raw Materials	1,499.97	100	1,849.98	100
Stores and Spare parts	114.73	100	131.62	100

(e) Earnings in foreign currency (cash basis)

	Rupees in lakhs	
	March 31, 2013	March 31, 2012
Sale of Emission Reductions	1,889.72	77.78

Note 32 : The information regarding micro, small and medium enterprises has been identified on the basis of information available with the company.

Based on the information available with the company, there are no micro, small and medium enterprises to whom the company has paid interest or any interest payable on outstanding (under the provisions of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006) during the year ended March 31, 2013.

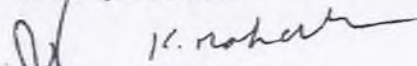
Note 33 : The Company operates in Single Business Segment of Generation of Power and in a Single Geography. Accordingly disclosure requirements of Accounting Standard 17 - Segment Reporting as notified under Section 211 (3C) of the Companies Act, 1956 have not been furnished.

Note 34 : Previous year's figures have regrouped, recast and reclassified where ever necessary to conform to current period classification.

For BRAHMANYA & CO
FR No: 0005125
Chartered Accountants

N. Sri Krishna
Partner
M.No: 26575

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


Mahesh Koli
Director


Purushotham C
Director (Finance) and Company Secretary

Place : Chennai
Date : September 13, 2013

Place : Hyderabad
Date : September 13, 2013