

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF ORIENT GREEN POWER COMPANY LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ORIENT GREEN POWER COMPANY LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its share of the losses of its associates for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the results of the following subsidiaries (including step down subsidiaries) and associates:

| S.No. | Name of the Entities  |
|-------|---|
| 1     | Orient Green Power Company Limited (Holding Company)                |
| 2     | Global Powertech Equipments Private Limited (Subsidiary)            |
| 3     | Amrit Environmental Technologies Private Limited (Subsidiary)       |
| 4     | SM Environmental Technologies Private Limited (Subsidiary)          |
| 5     | Shriram Non Conventional Energy Private Limited (Subsidiary)        |
| 6     | Shriram Powergen Private Limited (Subsidiary)                       |
| 7     | Orient Bio Power Limited (Subsidiary)                               |
| 8     | PSR Green Power Projects Private Limited (Subsidiary)               |
| 9     | Orient Green Power Company (Rajasthan) Private Limited (Subsidiary) |



|    |   |
|----|---|
| 10 | Sanjog Sugars and Eco Power Private Limited (Subsidiary)  |
| 11 | Bharath Wind Farm Limited (Subsidiary)  |
| 12 | Clarion Wind Farm Private Limited (Subsidiary of Bharath Wind Farm Limited)   |
| 13 | Gayatri Green Power Private Limited (Subsidiary)  |
| 14 | Orient Eco Energy Limited (Subsidiary)  |
| 15 | Gamma Green Power Private Limited (Subsidiary)  |
| 16 | Beta Wind Farm Private Limited (Subsidiary)   |
| 17 | Orient Green Power (Europe) B.V. (Subsidiary)   |
| 18 | Vjetro Elektrana Crmo Brdo d.o.o, Croatia (Subsidiary of Orient Green Power (Europe) B.V.)                              |
| 19 | Orient Green Power d.o.o, Macedonia (Subsidiary of Orient Green Power (Europe) B.V.)                                    |
| 20 | Statt Orient Energy (Private) Limited, Sri Lanka (Subsidiary)   |
| 21 | Biobijlee Green Power Limited (Subsidiary)  |
| 22 | Orient Green Power (Maharashtra) Private Limited (Subsidiary)   |
| 23 | Pennant Penguin Dendro Power Private Limited, Sri Lanka (Associate of Statt Orient Energy (Private) Limited, Sri Lanka) |
| 24 | Pallavi Power and Mines Limited (Associate)   |

4. We did not review the interim financial results of Sixteen subsidiaries included in the consolidated financial results, whose interim financial results reflect total revenues of Rs. 4,331.63 Lakhs for the Quarter ended June 30, 2016, and total loss after tax of Rs. 2,027.93 Lakhs and Total comprehensive loss of Rs. 2,024.68 Lakhs for the Quarter ended June 30, 2016, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of loss after tax of Rs. 0.34 Lakhs and Total comprehensive loss of Rs. 0.34 Lakhs for the Quarter ended June 30, 2016, as considered in the consolidated financial results, in respect of two associates, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.
5. The consolidated financial results include the unaudited interim financial results of three subsidiaries, whose interim financial results reflect total revenue of Rs. 423.96 Lakhs for the Quarter ended June 30, 2016 and total profit after tax of Rs. 90.92 Lakhs and Total comprehensive income of Rs. 90.92 Lakhs for the Quarter ended June 30, 2016, as considered in the consolidated financial results. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited interim financial results.
6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and except for the possible effects of the matter described in paragraph 4 above, and read with our comments in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed





the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. We draw attention to the following notes in the Statement:

- (a) As stated in Note 5 (i) of the Statement, some of the biomass plants of the Company and its Subsidiaries were not in regular operations during the quarter and have been incurring continuous losses resulting in the Holding Company and its subsidiaries facing certain financial difficulties and not being able to meet their obligations to lenders in time. The Management is in discussions with the lenders to restructure the loans and revamp its operations.

In addition, as part of its efforts to turn around the operations, as stated in Note 5 (ii) of the Statement, the Management is also undertaking a restructuring exercise wherein effective 1 April 2015, Bharath Wind Farm Limited, a wholly owned subsidiary is proposed to be Amalgamated with the Holding Company and effective 1 October 2015 the identified Biomass undertaking of the Holding Company is to be demerged to Biobijlee Green Power Limited, which will cease to be a subsidiary of the holding company upon the scheme being effective, subject to approvals, from the Honorable High Court of Judicature of Madras / other stakeholders.

- (b) Attention is invited to Note 9 of the Statement, regarding the deferral of Phase III of the windmill project in one of the subsidiaries namely, Beta Wind Farm Private Limited ("Beta"), due to delay in sanctioning of loans by the consortium of bankers and Management is in the process of organizing fresh loans for this project. Beta has extended capital advances aggregating to Rs. 4,908.60 lakhs to various third parties towards this project and the utilization of the same would depend on the execution of the project in future.

Our report is not qualified in respect of the above matters.

8. We have not reviewed the consolidated financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm's Registration No. 008072S)

**M.K. Ananthanarayanan**

Partner

(Membership No. 19521)

Place: Chennai

Date: August 11, 2016





## ORIENT GREEN POWER COMPANY LIMITED

Orient Green Power Company Limited

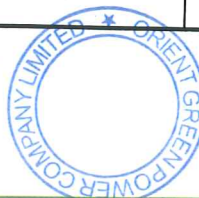
Regd Office : No. 18/3 Sigapiachi Building

Rukmani Lakshmipathy Road, Egmore, Chennai - 600 008.

Corporate Identity Number : L40108TN2006PLC061665

Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2016

| S.No. | Particulars  | (Rs In Lakhs)            |                          |
|-------|--|--------------------------|--------------------------|
|       |  | Quarter ended            | Quarter ended            |
|       |  | 30-Jun-16<br>(Unaudited) | 30-Jun-15<br>(Unaudited) |
| 1     | <b>Income from Operations</b>  |                          |                          |
| a.    | Net Sales / Income from Operations   | 11,362.63                | 9,634.39                 |
| b.    | Other Operating Income   | 1,272.98                 | 1,197.97                 |
|       | <b>Total Income from Operations</b>  | <b>12,635.61</b>         | <b>10,832.36</b>         |
| 2     | <b>Expenses</b>  |                          |                          |
| a.    | Cost of Materials Consumed   | 1,450.65                 | 2,003.01                 |
| b.    | Employee Benefits Expense  | 591.27                   | 585.26                   |
| c.    | Depreciation and Amortisation Expense  | 4,233.46                 | 4,371.40                 |
| d.    | Other Expenses   | 2,195.73                 | 2,601.10                 |
|       | <b>Total Expenses</b>  | <b>8,471.11</b>          | <b>9,560.77</b>          |
| 3     | <b>Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)</b>   | <b>4,164.50</b>          | <b>1,271.59</b>          |
| 4     | Other Income   | 252.77                   | 330.76                   |
| 5     | <b>Profit from ordinary activities before Finance Costs and Exceptional Items (3 ± 4)</b>      | <b>4,417.27</b>          | <b>1,602.35</b>          |
| 6     | Finance Costs  | 6,680.33                 | 7,046.01                 |
| 7     | <b>Loss from ordinary activities after Finance Costs but before exceptional items (5 ± 6)</b>  | <b>(2,263.06)</b>        | <b>(5,443.66)</b>        |
| 8     | Exceptional Items (Net)  | -                        | -                        |
| 9     | <b>Loss from ordinary activities before tax (7 ± 8)</b>  | <b>(2,263.06)</b>        | <b>(5,443.66)</b>        |
| 10    | Tax Expense / (Benefit)  | 1.25                     | (57.99)                  |
| 11    | <b>Loss for the period (9 ± 10)</b>  | <b>(2,264.31)</b>        | <b>(5,385.67)</b>        |
| 12    | Share of loss of associates  | (0.34)                   | -                        |
| 13    | Minority Interest  | 4.87                     | 11.39                    |
| 14    | <b>Net Loss after taxes, minority interest and share of loss of associates ( 11 ± 12 ± 13)</b> | <b>(2,269.52)</b>        | <b>(5,397.06)</b>        |
| 15    | Other Comprehensive income (net of taxes)  | 77.82                    | 74.72                    |
| 16    | <b>Total Comprehensive Income</b>  | <b>(2,191.70)</b>        | <b>(5,322.34)</b>        |
| 17    | Paid up Equity Share Capital (Face value of Rs. 10 each)                                       | 73,979.97                | 56,807.82                |
| 18    | Earnings Per Share (of Rs 10/- each not annualised)  |                          |                          |
|       | (a) Basic  |                          |                          |
|       | -Continuing Operations   | (0.05)                   | (0.62)                   |
|       | -Discontinuing Operations  | (0.25)                   | (0.33)                   |
|       | (b) Diluted  |                          |                          |
|       | -Continuing Operations   | (0.05)                   | (0.62)                   |
|       | -Discontinuing Operations  | (0.25)                   | (0.33)                   |



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Regd. & Corporate Office : 'Sigapi Achi Building', 4th Floor,

18/3 Rukmani Lakshmipathy Road, Egmore, Chennai - 600 008. India.

Tel : +91-44-4901 5678 (20 Lines) Fax : +91-44-4901 5655 www.orientgreenpower.com

CIN : L40108TN2006PLC061665

**Orient Green Power Company Limited**  
**Notes to the Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2016**

- 1 The above consolidated financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on August 11, 2016.
- 2 A Limited Review of the financial results for the quarter ended June 30, 2016 of the Holding Company, 2 of its subsidiaries and the consolidated financial results have been carried out by the Statutory Auditors of the Company. A similar review of the financial results of 16 subsidiaries has been conducted by the auditors of the respective subsidiaries. The financial results of the 2 subsidiaries which are located in foreign jurisdictions and 1 subsidiary located in India are based on Management Accounts.
- 3 a. The financial results of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The Group adopted Ind AS from April 1, 2016 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- b. Based on SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016, the Company has presented the figures for the corresponding quarter ended June 30, 2015 under Ind AS and the reconciliation of the net profits for the said quarter under previous IGAAP and under Ind AS is as below:

| Particulars   | (Rs. in Lakhs)           |
|---|--------------------------|
|   | Quarter Ended            |
|   | 30-Jun-15<br>(Unaudited) |
| Net Loss as per previous GAAP   | (5,337.72)               |
| Impact of recomputation of cost of borrowings by applying the Effective Interest Rate (EIR) method  | 7.13                     |
| Impact of accounting for government grants relating to capital assets as a deferred income  | 4.83                     |
| Impact of classification of Investments (Other than investment in Subsidiaries) Fair value through Profit & Loss under Ind AS as against Cost basis under erstwhile IGAAP | (4.60)                   |
| Impact of transfer of Loss pertaining to Non Controlling Interest under IND AS  | (66.70)                  |
| Net Loss as per Ind AS  | (5,397.06)               |
| Other Comprehensive Income  | 74.72                    |
| Total Comprehensive Income  | (5,322.34)               |

- c. The figures for the quarter ended June 30, 2015 have not been subjected to limited review by the Statutory Auditors and the Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs for the period.
- 4 The operations of the Group are seasonal in nature and the performance of any quarter may not be representative of the annual performance.
- The Company and its subsidiaries ("the Group") operate under a single segment which is "Generation of power through renewable sources" which is consistent with the reporting provided to the chief operating decision maker.
- 5 (i) The Company and its subsidiaries have been facing certain financial difficulties and have not been able to meet their obligations to lenders in time. The Management is in discussion with the lenders to restructure the loans and revamp its operations. Further, as part of its efforts to turnaround the operations, the Management is also undertaking a restructuring exercise, the details of which are more fully described in Note (ii) below.
- (ii) The Board of Directors of the Company, at their meeting held on June 13, 2015, has approved the Draft Composite Scheme of Arrangement and Amalgamation between Orient Green Power Company Limited and Bharath Wind Farm Limited (BWFL) and Biobijlee Green Power Limited (BGPL) and their respective shareholders (the Draft Scheme) as per which:
- (a) BWFL, a wholly owned subsidiary of the Company, will get amalgamated with the Company effective April 1, 2015 and
- (b) the identified biomass undertakings of the Company (including the Unit referred to in Note 6 below) will get demerged to BGPL, a subsidiary of the Company, effective October 1, 2015, subject to the regulatory approvals which are in the process of being obtained. Upon giving effect to the scheme, BGPL will cease to be a subsidiary of the Company and will seek necessary approvals to list its shares at the recognised stock exchanges in India. The substance of this demerger arrangement is in the nature of application and reduction of Securities Premium Account as per the provisions of Section 52 of Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956.
- (iii) The Draft Scheme has been approved by the shareholders of the Company at the court convened meeting held on June 6, 2016. The Company is in the process of obtaining other regulatory approvals.
- (iv) The financial details relating to the biomass undertakings identified for demerger, as estimated and determined by the Management, included in the Consolidated Unaudited Financial Results for the Quarters Ended June 30, 2016 and 2015 are given below:

| Particulars     | (Rs. in Lakhs)           |                          |
|-----------------|--------------------------|--------------------------|
|                 | Quarter Ended            |                          |
|                 | 30 Jun 16<br>(Unaudited) | 30 Jun 15<br>(Unaudited) |
| Loss before Tax | (1,879.98)               | (1,924.85)               |
| Loss after Tax  | (1,881.23)               | (1,866.85)               |



*S Venkatachala*



6 Pursuant to the approval of the Board of Directors at their meeting held on November 5, 2015 for transfer of one of the Biomass Power Generation Plants of the Company located in Kolhapur, the Company is proposing to enter into a Business Transfer Agreement with its subsidiary, Orient Green Power (Maharashtra) Private Limited (OGPML) for transferring aforesaid biomass plant, by way of a slump sale, on a going concern basis at book value subject to all required approvals for a consideration by way of equity shares/other securities in OGPML to be allotted to the Company. The financial details, included in the Consolidated Unaudited Financial Results for the Quarters ended June 30, 2016 and 2015 and included as part of disclosures relating to the said biomass undertakings in Note 5(ii) above, are given below;

| Particulars     | (Rs. In Lakhs)           |                          |
|-----------------|--------------------------|--------------------------|
|                 | Quarter Ended            |                          |
|                 | 30 Jun 16<br>(Unaudited) | 30 Jun 15<br>(Unaudited) |
| Loss before Tax | (345.89)                 | (235.68)                 |
| Loss after Tax  | (345.89)                 | (235.68)                 |

As per the approval received from the Board of Directors, subsequent to the completion of the said business transfer of the Kolhapur plant, the Company will also be selling its stake in OGPML to a third party. The Company is in the process of completing the required formalities / obtaining the required approvals in respect of the above transactions.

7 Some of the biomass plants of the Company and its subsidiaries were not in regular operations during the quarter and have been incurring continuous losses. The carrying value of the investments and loans in such subsidiaries where the networth is eroded aggregate to Rs. 2,671.56 lakhs & Rs. 2,475.79 lakhs as at June 30, 2016, respectively (net of provisions). The Management, taking into account the aforesaid / proposed restructuring referred to in Note 5 (ii) above, the future business prospects and the strategic nature of the investments, believes that no further impairment to the investments and loans and advances to such subsidiaries is expected at this stage.

The above items have been highlighted as an Emphasis of matter in the Statutory Auditors Limited Review Report on the Consolidated Unaudited Financial Results.

8 Renewable Energy Certificates ("REC") Income for the quarter ended June 30, 2016 includes an amount of Rs. 954.07 Lakhs. Further, an amount of Rs.8,008.38 lakhs is outstanding as at June 30, 2016 which is expected to be realized within the validity period.

9 Phase III of the windmill project in one of the subsidiaries namely, Beta Wind Farm Private Limited ("Beta"), has been deferred due to delay in sanctioning of loans by the consortium of bankers. As at 30 June 2016, capital advances aggregating to Rs.4,908.60 lakhs has been paid to various third parties towards this project. The Management is in the process of organising fresh loans for this project and the said amount of capital advances paid towards the project would be utilised on execution of the project in future.

The above item has been highlighted as an Emphasis of matter in the Statutory Auditors Limited Review Report on the Consolidated Unaudited Financial Results.

#### 10 Financial Results of the Company - Standalone

| Particulars            | (Rs. In Lakhs)           |                          |
|------------------------|--------------------------|--------------------------|
|                        | Quarter ended            |                          |
|                        | 30 Jun 16<br>(Unaudited) | 30 Jun 15<br>(Unaudited) |
| Income from Operations | 608.39                   | 1,929.98                 |
| Loss before Tax        | (1,682.80)               | (1,320.76)               |
| Loss after Tax         | (1,682.80)               | (1,320.76)               |

On behalf of the Board

Place : Chennai  
Date : August 11, 2016



*S. Venkatachalam*

S. Venkatachalam  
Managing Director