

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 Standalone Unaudited Financial Results of **Orient Green Power Company Limited** ("the Company") for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the 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 Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the 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 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. Based on our review conducted as stated above, and read with our comments in paragraph 4 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.
4. We draw attention to the following Notes in the Statement:
 - a. As stated in Note 4(i) of the Statement, the Company has been facing certain financial difficulties and have not been 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.

Further, as part of its efforts to turn around the operations, as stated in Note 4(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 Company and effective 1 October 2015 the identified Biomass undertakings of the Company is to be demerged to Biobijlee Green Power Limited, which will cease to be a subsidiary of the Company upon the scheme becoming effective, subject to approvals from the Honourable High Court of Judicature at Madras / other stakeholders, which is awaited.

- b. Some of the biomass plants of the subsidiaries of the Company 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 and Rs. 2,475.79 Lakhs, respectively (net of provisions) as at June 30, 2016. As stated in Note 6 of the Statement, the Management, taking into account the aforesaid / proposed restructuring referred to in paragraph 4(a) 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.
- c. As stated in Note 7, the Board of Directors of the Company in their meeting held on August 11, 2016 have accorded approval for changing the classification of the preference shares from Redeemable Preference Shares to Convertible Preference Shares, with retrospective effect from the date of issue of such preference shares and this reclassification is subject to the approval of the members of the Subsidiary Company.

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

- 5. We have not reviewed the 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

M. K. Ananthanarayanan
Partner
(Membership No. 19521)

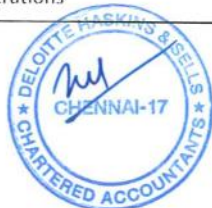
Chennai, August 11, 2016





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 Standalone Unaudited Financial Results for the Quarter ended June 30, 2016			
(Rs In Lakhs)			
S.No.	Particulars	Quarter ended 30-Jun-16 (Unaudited)	Quarter ended 30-Jun-15 (Unaudited)
1	Income from Operations		
	a. Net Sales / Income from Operations	608.39	1,809.21
	b. Other Operating Income	-	120.77
	Total Income from Operations	608.39	1,929.98
2	Expenses		
	a. Cost of Materials Consumed	333.78	1,098.62
	b. Employee Benefits Expense	241.69	276.52
	c. Depreciation and Amortisation Expense	353.45	453.45
	d. Other Expenses	500.49	564.18
	Total Expenses	1,429.41	2,392.77
3	Loss from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(821.02)	(462.79)
4	Other Income	688.35	575.99
5	Loss from ordinary activities before Finance Costs and Exceptional Items (3 ± 4)	(132.67)	113.20
6	Finance Costs	928.57	1,152.76
7	Loss from ordinary activities after Finance Costs and before exceptional items (5 ± 6)	(1,061.24)	(1,039.56)
8	Exceptional Items (Net) (Refer Note 8)	621.56	281.20
9	Loss from ordinary activities before tax (7 ± 8)	(1,682.80)	(1,320.76)
10	Tax Expense	-	-
11	Net Loss from ordinary activities after tax (9 ± 10)	(1,682.80)	(1,320.76)
12	Extraordinary items (net of tax expense Rs. Nil)	-	-
13	Net Loss for the Quarter (11 ± 12)	(1,682.80)	(1,320.76)
14	Other Comprehensive Income	-	-
15	Total Comprehensive Income (13 ± 14)	(1,682.80)	(1,320.76)
16	Paid up Equity Share Capital (Face value of Rs. 10 each)	73,979.97	56,807.82
17	Earnings Per Share (of Rs 10/- each not annualised)		
	(a) Basic		
	-Continuing Operations	(0.11)	(0.14)
	-Discontinuing Operations	(0.12)	(0.10)
	(b) Diluted		
	-Continuing Operations	(0.11)	(0.14)
	-Discontinuing Operations	(0.12)	(0.10)



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

- 1 The above standalone 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. The results for the quarter ended June 30, 2016 were subjected to a 'Limited Review' by the Statutory Auditors of the Company.
- 2 a. The financial result of the Company has 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 Company 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 (Unaudited)
Net Loss as per previous GAAP	(1,460.96)
Impact of recomputation of cost of borrowings by applying the Effective Interest Rate (EIR) method	(10.28)
Impact of accounting for government grants relating to capital assets as a deferred income	2.33
Impact of unwinding interest on loans to related parties based on Effective Interest Rate (EIR) method	154.50
Impact of loans from related parties fair valued based on Effective Interest Rate (EIR) method	(6.35)
Net Loss as per Ind AS	(1,320.76)
Other Comprehensive Income	-
Total Comprehensive Income	(1,320.76)

- 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.
- 3 The Company operates 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. The operations of the Company are seasonal in nature and the performance of any quarter may not be representative of the annual performance. Further, the results for the quarter ended June 30, 2015 included the results of the Pollachi Plant of the Company which was transferred to Gayathri Green Power Private Limited by way of a slump sale with effect from July 1, 2015 and hence are not comparable with the results of the current quarter.
- 4 (i) The Company has been facing certain financial difficulties and has 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 5 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 Draft 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 Standalone Unaudited Financial

Particulars	(Rs. In Lakhs)	
	Quarter Ended	
	30 Jun 16 (Unaudited)	30 Jun 15 (Unaudited)
Loss Before Tax	(877.39)	(549.41)
Loss After Tax	(877.39)	(549.41)

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



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- 5 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 Standalone Unaudited Financial Results for the Quarters ended June 30, 2016 and 2015 and included as part of disclosures relating to the said biomass plant, are given below;

Particulars	(Rs. In Lakhs)	
	Quarter Ended	
	30 Jun 16 (Unaudited)	30 Jun 15 (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.

- 6 Some of the biomass plants of the subsidiaries of the Company 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 and 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 4(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 item has been highlighted as an Emphasis of matter in the Statutory Auditors Limited Review Report on the Standalone Unaudited Financial Results.

- 7 The Board of Directors of the Company in their meeting held on May 18, 2016 have accorded approval for the change in terms of issue of the 454,859,455 6% Cumulative Redeemable Preference Shares subscribed by the Company in its subsidiary, Beta Wind Farm Private Limited ("BETA"), by extending the period of redemption from 12 years to 20 years and for redemption of preference shares at a premium of Rs. 9 per share. This change is subject to approval of the members of BETA.

Subsequently, the Board of Directors of the Company and BETA in their respective meetings held on August 11, 2016 have accorded approval for change in the classification of the said preference shares from Redeemable Preference Shares to Convertible Preference Shares, with retrospective effect from the date of issue of such shares. This change is subject to the approval of the members of BETA.

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

- 8 Details of Exceptional item (Net) for the quarters ended June 30, 2016 and June 30, 2015:

Particulars	(Rs. In Lakhs)	
	Quarter Ended	
	30 Jun 16 (Unaudited)	30 Jun 15 (Unaudited)
Provision for Diminution in value of Investments and Doubtful Loans and Advances / other liabilities related to Subsidiaries (Net)	621.56	281.20

On behalf of the Board

Place : Chennai
Date : August 11, 2016



S.Venkatachalam
Managing Director

