ORIENT GREEN POWER COMPANY LIMITED

NOTICE OF SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixth Annual General Meeting of the Company will be held at 03.00 P.M. on Monday the 12th August, 2013 at Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T.Nagar, Chennai - 600 017 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended 31st March, 2013 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. R. Ganapathi who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Maj. Gen. A.L. Suri AVSM (Retd.) who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. Abraham who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and fix their remuneration - M/s. DELOITTE HASKINS & SELLS, Chartered Accountants, Chennai retire at this Meeting and being eligible offer themselves for re-appointment.

RESOLVED THAT M/s. DELOITTE HASKINS & SELLS, (Registration No. 008072S) Chartered Accountants, Chennai, be and are hereby re-appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the Company on such remuneration as may be decided in this behalf by the Board of Directors of the Company later.

SPECIAL BUSINESS

6. **TO CONSIDER, AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION**

RESOLVED THAT Mr. Himraj Dang be and is hereby appointed as a Director of the Company for which notice has been received from a member under Section 257 of the Companies Act, 1956, signifying his intention to propose the name of Mr. Himraj Dang, as a Director of the Company liable to determination through retirement by rotation.

7. **TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION**

RESOLVED THAT pursuant to the provisions of Section 372 A and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Foreign Exchange Management Act, 1999, if required and all other applicable Rules, Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities, consent of the members of the Company be and is hereby accorded to the Board, to invest in, acquire by way of subscription, purchase or otherwise Equity/ Preference Shares of any one or all of the Subsidiaries of the Company and/or to give Loan and advances and/or provide Securities for an amount not exceeding Rs. 1500 Crores (Rupees One Thousand Five Hundred Crores only) as detailed in the Explanatory Statement in one or more tranches to any one of the Subsidiaries of the Company requiring approval under Section 372A of the Companies Act, 1956 and also invest in, acquire by way of subscription, purchase or otherwise in Equity / Preference Shares of any other companies subject to the provisions of Section 372A of the Companies Act, 1956 and also to invest in, acquire by way of subscription, purchase or otherwise in Equity / Preference shares of any other company or to give loans and advances, which may be subject to the provisions of Section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the Investment/Borrowing Committee of the Board of Directors be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the Investment to be made, loans to be granted and securities to be provided to any one or all subsidiaries without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution.

Date: 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road,
Egmore, Chennai - 600 008.

By order of the Board of Directors

T. Sivakumar
Company Secretary

Notes:

1. The relative explanatory statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business under items 6 and 7 as set out above are annexed hereto.

2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy form duly completed must be returned so as to reach the registered office of the Company not less than 48 hours before the time of commencement of the aforesaid meeting.

3. The register of members and share transfer books of the Company will remain closed from Thursday the 08th August, 2013 to Monday the 12th August, 2013 (both days inclusive).

4. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.

5. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection of the members at the Annual General Meeting.

6. As an economic measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of Annual Report to the meeting.

By order of the Board of Directors

Date: 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road,
Egmore, Chennai - 600 008.

T. Sivakumar
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

Mr. Himraj Dang, was appointed as an Additional Director at the Board Meeting held on 30th May, 2013.

In terms of Section 260 of the Companies Act, 1956, he holds office up to the date of the ensuing Annual General Meeting.

Notice under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- as required under that Section, has been received from a member of the Company proposing the appointment of Mr. Himraj Dang as Director of the Company liable to retire by rotation at the ensuing Annual General Meeting of the Company.

Your Directors recommend the resolution for approval of the members.

None of the Directors, other than the proposed appointee, is interested in this resolution.

ITEM NO. 7

The Company has the following Wholly-Owned Subsidiaries (WOSs) which are in the business of generating power through renewable sources. Though investments in WOSs are exempted under Section 372A, of the Companies Act, 1956, the Company has been making investments/granting loans to them periodically after the approval of the Investment/ Borrowing Committee through delegation of power to it by the Board of Directors of the Company.

S.No.	Name of the Subsidiaries
1	Global Powertech Equipments Limited (GPTL)
2	Amrit Environmental Technologies Private Limited (AETPL)
3	SM Environmental Technologies Private Limited (SMETPL)
4	Shriram Non-conventional Energy Limited (SNEL)
5	Shriram Powergen Limited (SPGEN)
6	Orient Green Power Europe B.V (OGPE)
7	Bharath Wind Farm Limited (Bharath)
8	Orient Green Power Company (Rajasthan) Pvt.Ltd (OGPRL)
9	Theta Wind Energy Private Limited (THETA)

Besides, the Company has Non-Wholly Owned Subsidiaries (Non- WOSs) which are also in the business of generating power from renewable sources, as listed below :

S.No.	Name of the Subsidiaries
1	Beta Wind Farm Private Limited (BETA)
2	Pallavi Power and Mines Limited (PPML)
3	PSR Green Power Projects Private Limited (PSR)
4	Orient Bio-Power Limited (OBL)
5	Sanjog Sugars & Eco Power Private Limited (SANJOG)
6	Gamma Green Power Private Limited (GAMMA)
7	Orient Eco Energy Limited (OEEL)
8	Statt Orient Energy (Private) Limited (STATT)

The Company has been investing from time to time in Non-WOSs by way of subscription to its equity share capital and also obtained the approval of the shareholders through Postal Ballot for additional investment which includes preference shares also, granting further loans and providing securities to the extent of Rs. 500 crores or by granting loans with the option of converting the same into either equity and / or preference share capital later. Such entities are also supported by the Company from time to time by way of providing Security for the loans obtained by the subsidiaries from their respective lending institutions.

Such funding of Non WOSs in the form of investments in equity / preference share capital, granting Loans and Advances and providing securities are governed by Section 372A of the Companies Act, 1956. The Company had earlier authorised the Board of Directors of the Company to Invest/grant Loan/ provide Securities upto a limit of Rs. 500 Crores (over and above the limits permissible under Section 372A of the Companies Act, 1956 in one or more tranches). This was approved by the Shareholders by a Postal Ballot Process on 16th February, 2012.

Considering further expansion plans of the Company in the renewable energy business and the ongoing projects which are under various stages of completion and smooth operations of the respective subsidiaries and also in any other Company, the Board recommends that the investments/loans/ providing of Security to Non-WOSs be suitably enhanced to Rs. 1,500 crores require approval under Section 372A of the Companies Act, 1956.

The Directors recommends this Special Resolution for adoption.

Mr. P Krishnakumar, Managing Director of the Company is deemed to be concerned/interested being Director in GAMMA, PSR , PPML, SANJOG, OBL, OEEL, STATT and Mr. R Ganapathi, Director of the Company is deemed to be concerned/ interested being Director in BETA.

By order of the Board of Directors

Date: 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road,
Egmore, Chennai - 600 008.

T. Sivakumar
Company Secretary

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT / CONFIRMATION AT THE SIXTH ANNUAL GENERAL MEETING

(Pursuant to Clause 49 (IV)(G) of the Listing Agreement)

Profile of the Directors seeking Re-appointment

Mr. R. Ganapathi - Director, is a graduate from the Indian Institute of Technology. He has been associated with Bharat Heavy Electricals limited initially at the field level and then with Bharat Heavy Electricals limited,Malaysia. He has over 27 years experience in marketing in electrical projects and the information technology sector. Later he joined Best & Crompton Engineering Limited, Chennai as an Export Manager. He is also a fellow of the Indian Institute of Foreign Trade.

He is serving as a Director of the Company Since 29th February, 2008.

He is a member of the following Committees :

1. Audit Committee
2. Share Transfer and Investors Grievance Committee
3. Remuneration Committee
4. Investment/Borrowing Committee
5. Allotment Committee
6. Committee of Independent Directors (IDC)

He holds 33,070 shares in the Company.

Maj. Gen. A.L. Suri AVSM (Retd.) - Director, holds a Bachelor's Degree in Engineering from College of Military Engineering, Pune. He was commandant of the College of Military Engineering, Pune. He retired as a Major General from the Army with active front line participation in the 1965, 1971 Indo-Pakistan wars and the Sri Lankan Operations in 1988-89. He has served as Chief Engineer of all defence works from line joining Jaipur, Visakhapatnam to Sri Lanka, and Chief Engineer of all defence works in Bombay region from 1981-93 for a wide range of construction activity.

He is serving as a Director of the Company Since 04th June, 2008.

He is a member of the following Committees :

1. Allotment Committee
2. Committee of Independent Directors (IDC)

He holds Nil shares in the Company.

Mr. P. Abraham- Director, holds a Master's Degree in Arts from Andhra University and a Diploma in Systems Management from Bajaj Institute, Mumbai. He joined the Indian Administrative Service in 1962 and retired as the Secretary, Ministry of Power, Government of India.

He has 15 years of experience in the power sector by serving in various capacities such as

- Secretary - Ministry of Power, Government of India
- Chairman - Maharashtra State Electricity Board
- Secretary - Energy Department, Government of Maharashtra
- Secretary - Maharashtra State Electricity Board.

He is serving as a Director of the Company Since 27th March, 2010.

He is not a Member of any of the Committees of the Company.

He holds Nil shares in the Company.

Profile of the Director seeking confirmation of appointment

Mr. Himraj Dang is a Partner of Asia Environmental Partners. He has more than 15 years of international experience working in project and structured finance, infrastructure development, renewable energy, environmental issues, carbon finance and private equity. He has worked with GE Capital, Shell Gas & Power, and Enron Broadband in India and overseas.

He has a BA from Dartmouth College and a ME (Engineering Management, Energy Technology) from the Thayer School of Engineering at Dartmouth College and an MBA from INSEAD.

He has been appointed as an Additional Director of the Company on 30th May, 2013.

He is not a Member of any of the Committees of the Company.

He holds Nil shares in the Company.

By order of the Board of Directors

Date: 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road,
Egmore, Chennai - 600 008.

T. Sivakumar
Company Secretary

ORIENT GREEN POWER COMPANY LIMITED

Registered Office: 4th Floor, Sigappi Achi Building,18/3, Rukmini Lakshmipathi Road, Egmore, Chennai - 600 008.

PROXY FORM

I/We……………………………………………………………of………………………………………………….....in the district of ………………………………………… being a Member(s) of the above named Company, hereby appoint Shri/Smt………………………………………………………………………………………………… of……………………………………………………………………………… in the district of …………………………………………………..... or failing him Shri/Smt…………………………………………………… of ……………………………………………… ………………in the district of……………………………………………… as my/our proxy to vote for me/us, on my/our behalf at the **SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Monday, the 12th day of August, 2013 at Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai - 600 017 at 03.00 P.M. and at any adjournment thereof.

Affix
Re. 1/-
Revenue
Stamp

Signed this ……………………….day of 2013

No. of Shares held ……………………………………………………

Registered. Folio No. ……………………………………………………

DP ID ……………………………………………………

Client ID ……………………………………………………

The Companies Act, 1956 lays down that an instrument appointing a proxy shall be deposited at the Registered Office of the Company not later than 48 hours before the time of holding the Meeting.

ORIENT GREEN POWER COMPANY LIMITED

Registered Office: 4th Floor, Sigappi Achi Building,18/3, Rukmini Lakshmipathi Road, Egmore, Chennai - 600 008.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full Name of the Member attending (in Block Letters) ……………………………………………………………

Full Name of the first joint holder ……………………………………………………………

Name of the Proxy ……………………………………………………………

I hereby record my presence at the **SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Monday, the 12th day of August, 2013 at Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai - 600 017 at 03.00 P.M.

No. of Shares held ………………………………

Registered Folio No: ………………………………

DP ID ………………………………

Client ID ………………………………

………………………………

Member's/Proxy's Signature

ORIENT GREEN POWER COMPANY LIMITED

Orient Green Power Company Limited
4th Floor, Sigappi Achi Building,
No. 18/3, Rukmini Lakshmipathi Road, Egmore, Chennai 600 008,
Tel: + 91 44 4901 5678 Fax : + 91 44 4901 5655.
Website: www.orientgreenpower.com / Email: info@orientgreenpower.com

ORIENT GREEN POWER COMPANY LIMITED

Sixth Annual Report 2012-2013

Disclaimer

In this annual report, we have disclosed forward-looking information to help investors comprehend our projects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'experts', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

Chairman's Message

Chairman's Message

Dear Shareholders,

It is my pleasure to report to you an improved operating performance by Your Company for the year 2012-13 aided by capacity expansion. Despite the numerous challenges on various fronts during the year, Your Company has successfully commissioned additional capacities in the wind business and has also taken various steps towards tariff optimization and cost reduction. While the global economy has shown improvements in some measure, however, in India, the continued rise in inflation has hurt business and the borrowing costs continue to be high resulting in lower margins during the year. While the government tried to do its bit by introducing reforms aimed at reviving the investment appetite, the challenges in the system are both structural and cyclical and the results are expected to be gradual rather than immediate. The Reserve Bank of India (RBI) has also been extremely cautious on the issue of easing of interest rates not only due to high inflation but also on account of the fact that the nation's current account deficit had been rising during the year, primarily led by rising gold and oil imports. However towards the end of the year, we did witness some softening in interest rates and hope that this will be the beginning of a more benign interest regime in the coming years.

Coming to the Power sector, the challenges and issues of the industry continue to thrive. However, it is our belief that certain measures announced during the end of the year including some incentives which were announced in the current years' budget would help growth of the industry in the coming years. On the capacity addition front, India added 20,662 MW of new capacity against capacity addition target of 17,956 MW. The capacity addition during the 12th Plan period is estimated at 88,537 MW. While this is largely focused on thermal power, the plan envisages an addition of 30,000 MW of Renewable power generation capacities which would call for significant investments on the back of fiscal and other monetary incentives as well as lower interest rates.

Realizing the potential benefits which renewable energy can offer and the significant role it can play in meeting the country's energy requirement, the Government has undertaken several activities and is also working on new reforms to attract major investment in the sector. It also re-instated the Generation based incentive (GBI) scheme to boost the wind energy sector. Further CERC during the year has decided to extend the validity of the Renewable Energy Certificates (REC) from 365 days to 730 days. The decision to extend the maturity was made as the CERC believed that the lack of enforcement had resulted in an unfair environment for renewable power generation companies.

Before I come to Your Company's performance during the year, I would like to discuss the recent developments and steps being taken by Your Company and promoter group to improve the financial position of the company. Pursuant to a reorganization in the Promoter Group, Shriram EPC Ltd., the promoter of the company has divested its stake in Shriram EPC (Singapore) Pte Ltd (holding 37.7% stake in parent company of OGPL) after the end of the previous financial year, in favour of Shriram Industrial Holdings Ltd. (SIHL). Further, SIHL has infused an additional ₹150 crore of capital by subscribing to a preferential issue, the proceeds of which will be used to meet cost overrun of 300 MW projects, working capital needs and to retire high cost debt. The change in holding and the preferential issue has triggered an open offer under the prevailing laws. The preferential issue and the open offer have been done at a price that was well above the prevailing market price of the share over the last few months and indicates the commitment of the Promoter Group to the long-term prospects of Your Company.

Coming to the performance, Your Company continues to witness strong revenue growth on the back of improved performances in biomass and wind businesses as well as significant improvement in realization across the entire business. The total operating capacity as of March 31 2013 stood at 399.51 MW comprising of 339.01 MW of wind power and 60.5 MW of biomass power on the back of additional capacity expansion in the wind business. Your Company intends to increase its asset base further and targets to add further capacities during the year 2013-14 which would enable us to complete the 300 MW wind capacity expansion and 45.5 MW of biomass expansion. This would no doubt lead to improvement in power generation and revenues in the coming years.

While there has been progress on strategic initiatives and operating efficiency, the same has not been reflected in the bottom line due to an increase in interest cost. However, I would like to assure you that this is a focus area and the management is evaluating strategies to rationalize the cost of debt and hence translate into meaningful growth in bottom line going forward. Some of the options explored during the course of the year include refinancing some of our loans through borrowing at favorable interest rates. During the year, we have successfully raised External Commercial Borrowings (ECB) at a favourable exchange rate and this loan has been fully hedged to ensure that Your Company is not exposed to any subsequent adverse movement in currency exchange rates while at the same time getting benefit of lower interest rate. These initiatives along with the broader downward trend in interest rates should help to reduce Your Company's interest cost.

Apart from financing costs, there have also been initiatives geared towards improving operating costs such as cost of fuel used by the biomass plants. Some of the measures include contract farming and growing feedstock on our wind mill land. We are confident that such strategies will fructify and help us improve our margins in the coming years.

With a strong asset base, growing economies of scale resulting from increased capacities, higher and stable PLFs, increasing proportion of REC approved facilities and fuel cost related initiatives; we continue to remain upbeat about our performance going forward and are confident that we will be able to generate value for our shareholders.

I would also like to take this opportunity to thank our employees, bankers, the Government, the Regulators and other stakeholders and last but not the least you, our Shareholder for the continued support.

Sincerely,

N. Rangachary

Chairman

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the Sixth Annual Report along with the audited accounts for the financial year ended 31st March 2013.

The performance of the Company for the year ended 31st March 2013 is summarised below :

₹ in Lakhs

Particulars	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Sale and Other Income	6,101.82	3,048.19	45,962.31	28,252.97
Profit before Depreciation, Interest and Tax	199.65	248.08	21,110.13	9,320.75
Interest	1,791.90	534.33	18,917.20	10,758.05
Depreciation	380.87	251.34	11,002.03	6,608.29
Exceptional item	286.59	-	1,343.21	-
Profit (Loss) before Tax	(1,686.53)	(537.59)	(7,465.89)	(8,045.59)
Less: Provision for Tax	-	-	444.54	(120.02)
Less: Provision for Deferred Tax	-	-	260.70	259.59
Minority share of loss	-	-	1182.34	1,257.32
Profit / (Loss) for the period	(1,686.53)	(537.59)	(6,988.79)	(6,927.84)

Performance Review

The year gone by continued to be challenging for both Biomass and Wind businesses both for operations as well as in project implementation. In the biomass operations of the company and its biomass subsidiaries, while the operations significantly improved in four of the plants located in Tamil Nadu through improved realisation, the company faced problems in the Rajasthan units due to low realisation and high cost of inputs. Your company is taking various proactive steps to mitigate the impact of such cost increase and hopes to get the benefits of such initiatives in the coming years. In the wind business, revenues grew significantly on the back of increased capacities and realisation coupled with better wind availability and improved machine performance. The year also saw borrowing costs increase besides increase in borrowings due to expansion.

The Consolidated Sales and other income for the year under review was ₹45,962.31 Lakhs (₹28,252.97 Lakhs) representing growth of 63 % over the previous year mainly aided through incremental sales as a result of addition of capacity, improvement in sales realisation and robust income from sale of Renewable Energy Certificates. Consequently, Consolidated Profit before Interest, Depreciation and Tax was at a level of ₹21,110.13 Lakhs as against ₹9,320.75 Lakhs registering a growth of 126%. The Consolidated Loss after Tax before Minority Interest was at ₹8,171.12 Lakhs as against loss after tax before Minority Interest of ₹8,185.16 Lakhs in the previous year mainly on account of steep increase in interest costs and depreciation as a result of expansion. The analysis of the performance and the state of the industry are discussed elsewhere in the report under "Management Discussion and Analysis".

Your Directors have not recommended dividend in view of the losses incurred by the company during the year.

Initial Public Offering (IPO)

The Company had made an Initial Public Offering of 19,14,89,361 Equity Shares aggregating to ₹90,000 Lakhs which was listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited on 8th October 2010.

As required under Clause 49 (IV) (D) of the Listing Agreement, the utilisation of the IPO proceeds are being reported in all the Quarterly results published by the Company after the same is reviewed by the Audit Committee. Further, the Monitoring Report for the utilization of the IPO proceeds issued by the Monitoring Agency, i.e. Punjab National Bank is being placed before the Audit Committee for its review and approval on an half yearly basis.

Preferential Issue

The Board at its Meeting held on 22nd February 2013 approved of issuance of 10,00,00,000 fully paid up equity shares of face value of ₹10/- each at a premium of ₹5/- per share each on a preferential basis aggregating ₹150 Crores to M/s. Shriram Industrial Holdings Limited. The Shareholder's approval for the above Preferential Issue was obtained through a Postal Ballot process on 26th March 2013.

Accordingly, the Company issued and allotted 10,00,00,000 fully paid up equity shares of face value of ₹10/- each and at a premium of ₹5/- each on a preferential basis to M/s. Shriram Industrial Holdings Limited on 06th April 2013 and these shares were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited on 25th April 2013. The major part of the proceeds of the issue have been utilised for investment in the subsidiary which is executing the 300 MW wind project and part of the proceeds have been utilised for repaying high cost debt and for long term working capital in line with the objects of the issue.

Open Offer

Shriram Industrial Holdings Limited has acquired 7,12,69,846 equity shares of face value of ₹10/- each, constituting 12.55% of the paid-up equity share capital of Orient Green Power Company Limited (the Company), pursuant to the open offer made to the public shareholders of the Company under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Open Offer), and is in the process of completing the formalities of the Open Offer.

Depository System

Your Company's Equity Shares are available in dematerialized form through The National Securities Depository Limited (NSDL) and The Central Depository Services (India) Limited (CDSL). As per the Securities and Exchange Board of India (SEBI) Circular No: Cir/ISD/3/2011 dated June 17, 2011 on "trading rules and shareholding in dematerialized mode", all Listed Companies have to achieve 100% of their promoters and promoter group's holding in dematerialized form latest by quarter ended September 2011. Accordingly all the promoters shares of your Company are held in electronic mode and as at 31st March 2013, 99.96 % of the Equity Shares of the Company were held in demat form.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is reproduced in a separate section elsewhere in the Annual Report.

Consolidated Financial Statements

In accordance with Accounting Standard AS-21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, the Audited Consolidated Financial Statements are provided as part of this Annual Report.

Subsidiaries

As at 31st March, 2013, your Company had a total of 24 subsidiaries and step down subsidiaries the details of which are given elsewhere in the Annual Report under the relevant Sections. During the year, your Company divested its entire stake in one of the overseas subsidiaries, Powergen Lanka Pvt. Ltd.

The Ministry of Corporate Affairs, Government of India has vide Circular No. 2/2011 dated February 8, 2011 granted general exemption subject to fulfillment of certain conditions from attaching the Balance Sheet of the Subsidiaries to the Balance Sheet of the holding Company without making an application for exemption. Accordingly, the Company has passed necessary Board Resolution under Section 212 of the Companies Act, 1956, and is therefore exempted from attaching the Balance sheet, Profit and Loss Account and other connected schedules of the subsidiary companies with the Balance Sheet of the Company. However, financial information of the subsidiary companies is disclosed in the Annual Report. The Annual Accounts of these subsidiaries and related information will be made available to any member of the Company and is also available for inspection by any member of the Company.

Deposits

The Company has not accepted any deposits either from the shareholders or public within the meaning of The Companies' (Acceptance of Deposits) Rules, 1977 as amended.

Directors

Mr. Frederick J Long resigned from the Board with effect from 30th May 2013. The Board wishes to place on record the service rendered by Mr. Frederick J Long as Director of the Company during his tenure.

Mr. Himraj Dang was appointed as an Additional Director with effect from 30th May 2013.

The Company has received notice under Section 257 of the Companies Act, 1956 proposing the appointment of Mr. Himraj Dang as Director liable to determination through retirement by rotation at the ensuing Annual General Meeting.

Mr. R. Ganapathi, Maj. Gen. A L. Suri (Retd.) and Mr. P. Abraham, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards issued by the Institute of Chartered Accountants of India read with the requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same ;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the Loss of the Company for the year ended on that date ;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and

(iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors and Auditors' Report

M/s. Deloitte Haskins & Sells, (Registration No. 008072S) Chartered Accountants, Chennai, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. It is proposed to re-appoint them as Statutory Auditors of the Company for the financial year 2013-14.

The Company has received a letter from the Statutory Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

"Our comments on financial statements referred to in the Auditor Reports under Section 217(3) of the Companies Act 1956 are given below:"

a) With regard to the Emphasis of Matter appearing in the Auditors' Report, your attention is drawn to the Notes forming part of the financial statements of the year which are self explanatory.

b) With regard to clause no. (xii) of the Annexure to the Auditors' Report, due to ongoing project implementation which is still underway for two of the company's projects, the company had delayed in payment of loan dues and partly has been paid subsequently and has applied to banks for more moratorium. This matter is under the consideration of the banks and on such favourable consideration by the banks and such delays shall be regularised since the projects are expected to become operational in the year 2013-14.

c) With respect to the comments of the Auditors in their Report on the Consolidated Audit Report, our responses are given in the Notes to the Financial Statements, which is self- explanatory.

Internal Control System

The Company's internal control system comprises audit and compliance by in-house Internal Audit Division.

The Internal Audit Division independently evaluates the adequacy of internal controls and concurrently audits majority of the transactions in value terms.

Independence of the audit and compliance is ensured by the direct reporting of Internal Audit Division to the Audit Committee of the Board.

Cost Audit

As per the Companies (Cost Accounting Records) Rules 2011, the Company has filed the Cost Audit Report for the Financial Year 2011-12 in XBRL Format.

Mr. R. Sivasubramanian & Co, Cost Accountants (Registration No: 101349), Chennai, Cost Auditors of the Company are eligible for reappointment. It is proposed to re-appoint them as Cost Auditors of the Company for auditing the Company's Cost Accounting records relating to Generation of Power for the financial year 2013-14.

The Company has received a letter from the Cost Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

Corporate Governance

Corporate Governance is based on the principles such as conducting the business with integrity and fairness, ensuring transparency in all the transactions, making all relevant disclosures as per the various Regulations in force and complying with all the laws of the land, ensuring accountability and responsibility in all dealings with the stakeholders and commitment for conducting the business in an ethical and transparent manner.

Your Company is committed to achieving and maintaining high standards of Corporate Governance and places high emphasis on business ethics. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The Company has laid down a well-defined Code of Conduct, which fairly addresses the issues of integrity, conflict of interest and confidentiality and stresses the need of ethical conduct, which is the basis of good Governance. This Code of Conduct is applicable to all the members of the Board and the Senior Management Personnel. The declaration regarding compliance with Orient Green Power Company Limited - Code of Conduct and Ethics for all Board Members and Senior Management Personnel of the Company forms part of the Report on Corporate Governance.

The Company is complying with all the norms laid down by the Regulatory Authorities in all its functional areas. The Company Secretary is also the Compliance Officer under Clause 47 of the Listing Agreement entered into with the Stock Exchanges, to comply with various guidelines of Securities and Exchange Board of India and Stock Exchanges.

The Company is promptly submitting a "Quarterly Compliance Report on Corporate Governance" as per Clause 49 of the Listing Agreements with the Stock Exchanges.

As part of the good Corporate Governance, the Company ensures that all Investor Grievances are attended to and resolved in a timely manner as per the records maintained by our Registrar and Transfer Agent. During the period from 01.04.2012 to 31.03.2013, the Company received 43 complaints from the Shareholders and all such complaints have been resolved.

The certificate from the Statutory Auditors, M./s Deloitte Haskins and Sells, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 is reproduced in a separate section elsewhere in the Annual Report.

Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, your Company has instituted a comprehensive Code titled as "Orient Green Power Company Limited Code of Conduct" which lays down guidelines and advises the Directors and Employees of the Company on procedures to be followed and disclosures to be made while dealing in securities of the Company.

Energy conservation, technology absorption and foreign exchange earnings and outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under 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 are provided as "Annexure 1" to this Report.

Particulars of Employees

As required under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975, as amended, the name and other particulars of the employees are set out in Annexure 2 to this Report.

Acknowledgement and Appreciation

Your Directors wish to express their appreciation for the assistance, support and cooperation extended by the Banks, Financial Institutions, Government Authorities, Customers, Suppliers and all Members during the year under review. Your Directors also wish to place on record their appreciation for the committed services by all employees of the Company.

For and on behalf of the Board

Date: 30th May, 2013
Place:

Registered Office:
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road,
Egmore, Chennai - 600 008

P. Krishnakumar — Managing Director

R. Ganapathi — Director

ANNEXURE - 1 TO THE DIRECTORS' REPORT

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the (Companies Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo.

A. CONSERVATION OF ENERGY

Your Company is taking all possible steps for improving the overall efficiency by installing power efficient equipments at its various locations. The various measures taken by your Company in this regard are :

1) Air ingress has been properly identified and rectified to reduce excess air losses during boiler operation, to have improved efficiency in the boiler which will result in reduced fuel consumption

2) Variable Frequency drives have been provided at the operating plants for the following equipments to conserve power.

- Air Cooled Condenser wherein the fans are provided with VFD
- Blowers - Forced Draft, Induced Draft and Secondary air blowers Fuel Handling System - Screw Feeders are being operated with VFD as a measure of energy conservation
- Boiler Feed Water pumps are being provided with soft starter as a protective and power conservation measure

3) Conventional Bush Bearings have been replaced with double ball bearings in the slat chain conveyors to reduce the frictional losses thereby resulting in significant reduction in power consumption.

4) Capacitor Banks have been provided to maintain an efficient power factor of 0.99 in order to reduce the reactive power losses.

B. TECHNOLOGY ABSORPTION

1. Specific Areas in which R&D is carried out by the Company

a. We have started using a Gasifier to burn the dirty and low cost fuels externally. The producer gas generated from the gasifier could be burnt in the same boiler, thus reducing the ill effects of chlorine enriched flue gas on the super heater coils. This will increase the use of dirty and low cost fuels , which would reduce the fuel cost per unit of power generated.

b. Use of waste from industries like Paper, Sago and also textile mills are being considered as alternative fuels in order to bring down the spiralling fuel cost from conventional sources.

2. Benefits derived as a result of above R&D

Change of material used for construction of super heater coils from the conventional T11/T22 into TP347 H has resulted in the increase in mean time between failures of the super heater coils thus increasing the plant availability.

3. Future Plan of action

Developing Captive Plantation and Working with the farming community to develop intercropping of the low cost Energy Crops which can be cultivated and used in the existing power plants. Demonstration has been completed successfully and 500 acres per plant are being planned to be taken under contract farming for the energy crops which would result in reduction in fuel cost.

4. Expenditure on R & D - Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	2012-2013	2011-2012
Foreign Exchange earned	45,05,45,598	Nil
Outgo of Foreign Exchange value of imports (CIF)- Capital Goods	Nil	Nil
Expenditure in Foreign Currencies	27,76,065	44,39,880
Remittance of Dividends	Nil	Nil

ANNEXURE - 2 TO THE DIRECTORS' REPORT

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975, and forming part of the Directors' Report for the year ended March 31, 2012.

Employee Name	Designation	Qualification	Age	Joining Date	Experience (in years)	Gross Remuneration (₹)	Previous Employment and Designation
Mr. P. Krishnakumar	Managing Director	BE-Mechanical	58	04-06-2008	35	75,00,000/-	Hoesch Pipe Mills Ltd, Managing Director
Mr. N. Ramani	President - Wind Power	BE-Electrical	58	23-02-2011	30	68,00,000/-	Suzlon Green Power Limited, Project Heads

Notes: Remuneration comprises basic Salary, Allowances and taxable value of perquisites
None of the employees is related to any Director of the company
None of the employees owns more than 2% of the outstanding shares of the company as on March, 2013

For and on behalf of the Board

Date: 30th May, 2013
Place:

Registered Office:
4th Floor, Sigappi Achi Building,18/3,
Rukmini Lakshmipathi Road, Egmore, Chennai - 600 008.

P. Krishnakumar — Managing Director

R. Ganapathi — Director

Management Discussion and Analysis FY 2012-13

Company Overview

Orient Green Power Company Limited (OGPL) is a leading Indian independent renewable energy-based power generation company focused on developing, owning and operating a diversified portfolio of renewable energy power plants.

Our portfolio includes biomass, biogas, wind energy and small hydroelectric projects at various stages of development. As of March 31, 2013, our total portfolio of operating projects included 400 MW; comprising of 61 MW of Biomass projects and 339 MW of Wind energy projects.

OGPL benefits from the support and commitment of Shriram Industrial Holdings Ltd part of the well diversified and reputed Shriram Group. The other founding shareholders of our parent company are Bessemer Venture Partners through Bessemer India Capital Limited and Olympus Capital through AEP Green Power Limited.

OGPL is headquartered in Chennai, Tamil Nadu.

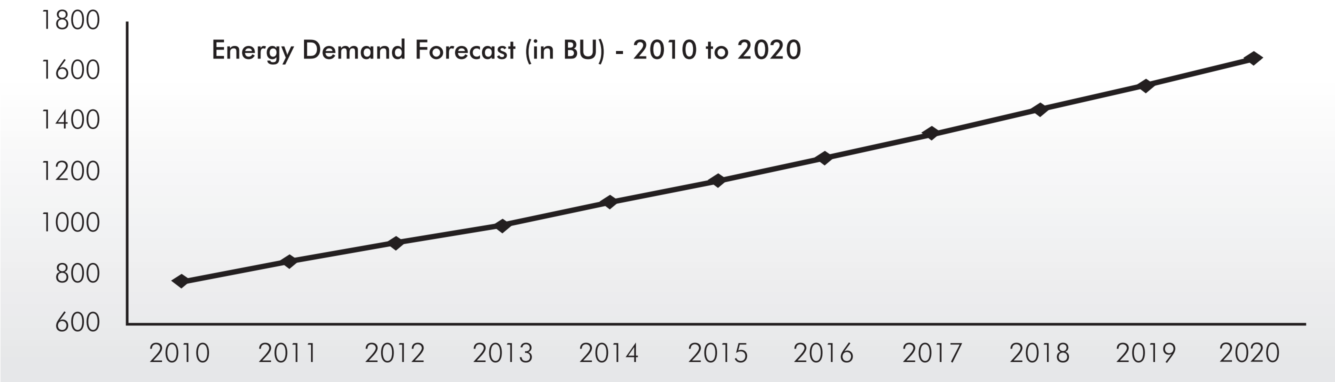
Sector Overview

India, by virtue of making use of its available sources of energy; spread across conventional and non-conventional sources like coal, lignite, natural gas, wind, solar and bio-mass has a well diversified power sector. India is the fifth largest power generating nation in the world after US, China, Japan and Russia with a total installed capacity of 223.343 GW as of March 2013.

The demand for electricity in the country has been growing at a brisk pace and is expected to increase further in the years to come. As per the latest report by the US Energy Information Administration (EIA) India is the fourth largest consumer of electricity after the US, China and Russia as per the latest report by the US Energy Information Administration (EIA) (http://www.business-standard.com/article/international/us-report-says-india-fourth-largest-energy-consumer-in-the-world-113031900118_1.html)

By adding a record 20 GW of new capacity, India's total capacity stands at 223.343 GW as of March 2013. Of the total installed capacity, thermal Power plants constitute 68%, Hydroelectric about 18% and the rest is contributed by a combination of Wind, small hydro, biomass, waste to electricity and nuclear. The fact that the power portfolio is mainly thermal led is not surprising given the fact that India is the third largest coal producing nation, with fifth largest reserves at its disposal. During the 11th Five Year Plan, nearly 55,000 MW of new generation capacity was created and yet, there continued to be an overall energy deficit of 8.7% and a peak shortage of 9%.

It is projected that India's domestic power demand will reach 1,640 billion units by 2020 from 918 billion units during 2012. Going by this projection, India will have to almost double its current installed capacity of 223 to 390 GW in the next eight years. With peak power deficit ranging between 8-10% and annual power demand growing at 9%, it will be a giant challenge for India to build its energy infrastructure fast enough to meet its twin objectives of sustaining a high economic growth rate in the range of 8-9 % for a longer period of time, while at the same time ensuring that all its citizens have access to modern and sustainable electricity supply.



Sr. No	State	State Wise Electricity Demand Forecast from FY 2012-20								
		2012	2013	2014	2015	2016	2017	2018	2019	2020
1	Delhi	26,622	27,735	28,959	30,304	31,783	33,410	35,200	37,170	39,338
2	Himachal Pradesh	8,392	9,156	9,976	10,856	11,802	12,817	13,907	15,076	16,331
3	Haryana	37,618	40,442	43,496	46,800	50,374	54,241	58,427	62,959	67,866
4	Jammu & Kashmir	15,255	16,416	17,644	18,943	20,315	21,767	23,301	24,924	26,639
5	Punjab	49,289	51,815	54,481	57,295	60,265	63,401	66,713	70,211	73,906
6	Rajasthan	48,489	51,638	54,980	58,529	62,296	66,295	70,542	75,051	79,839
7	Uttarakhand	11,018	12,403	13,954	15,690	17,633	19,808	22,243	24,968	28,019
8	Uttar Pradesh	83,471	88,642	94,124	99,937	106,102	112,640	119,574	126,928	134,730
9	Gujarat	72,111	74,475	76,960	79,573	82,322	85,218	88,269	91,487	94,884
10	Chhattisgarh	11,223	11,239	11,227	11,182	11,100	10,977	10,809	10,589	10,311
11	Madhya Pradesh	50,632	53,096	55,695	58,438	61,333	64,390	67,617	71,025	74,624
12	Maharashtra	142,941	153,431	165,121	178,134	192,606	208,688	226,544	246,356	268,323
13	Andhra Pradesh	86,344	91,879	97,788	104,099	110,839	118,042	125,739	133,969	142,769
14	Karnataka	50,845	53,608	56,590	59,808	63,280	67,027	71,071	75,434	80,143
15	Kerala	19,277	20,269	21,337	22,487	23,727	25,062	26,500	28,051	29,722
16	Tamil Nadu	88,356	95,313	102,921	111,238	120,329	130,265	141,123	152,987	165,947
17	Bihar	13,183	13,995	14,860	15,784	16,770	17,823	18,948	20,149	21,434
18	Jharkhand	6457	6,892	7,349	7,831	8,339	8,873	9,436	10,029	10,653
19	Odisha	23,339	25,059	26,936	28,983	31,217	33,654	36,313	39,213	42,377
20	West Bengal	38450	41,088	43,909	46,926	50,152	53,602	57,291	61,236	65,453
21	Sikkim	486	548	617	693	779	875	983	1103	1237
22	Assam	5,919	6,213	6,519	6,839	7,171	7,518	7,879	8,256	8,648
23	Manipur	581	596	612	629	646	664	683	703	723
24	Meghalaya	1,694	1,801	1,916	2,038	2169	2,,309	2,458	2,618	2,789
25	Nagaland	621	676	736	801	872	949	1,032	1,122	1,220
26	Tripura	903	934	968	1,005	1,044	1,086	1,132	1,181	1,234
27	Arunachal Pradesh	562	618	676	738	803	871	942	1,016	1,092
28	Mizoram	376	396	416	439	463	488	516	546	579
29	Others (Goa+UTs)	11,252	11,953	12,705	13,508	14,370	15,292	16,264	17,299	18,406
	All INDIA	908,261	965,013	1,026,303	1,092,509	1,164,052	1,241,383	1,324,981	1,415,392	1,513,208

All figures in Billion Kwh Units

Source: *Greenpeace and Infraline Analysis*

India's power generation relies on thermal energy which is susceptible to and has been plagued by intermittent shortages of fuel such as coal and gas. It is ironic that the third largest coal producing country in the world which holds the fifth largest reserves, is unable to meet even its domestic demand. A key cause of India's electricity deficit is a shortage of coal, which fuels 68% of the country's power plants. Providing power plants with enough coal to meet the country's demand for electricity will require a combination of measures, including increased imports, higher power tariffs and blending domestic coal with more-expensive imported coal. However the domestic coal sector continues to be plagued by multiple challenges such as weak mine acquisition policies, prolonged procedures for forest and environmental clearances and issues relating to law and order apart from mediocre infrastructure for transportation.

Dependence on imports in case of coal is projected to be about 22.4% by 2016-17 because resources currently allocated to energy supply are not sufficient for narrowing the gap between energy needs and availability.

Foreign direct investment in the power sector slowed to $ 456 Million in nine months ended December'12 from $1,436.75 Million reported in the same period a year ago due to well publicized challenges leading to a near standstill in terms of new capacity creation. (http://articles.economictimes.indiatimes.com/2013-02-27/news/37331102_1_capacity-addition-power-sector-power-projects)

RENEWABLES SECTOR

India has come a long way since the inception of its renewable energy program in 1981. With a total investment of over US $10.2 billion till 2011 (http://www.thehindubusinessline.com/industry-and-economy/ey-ranks-india-4th-on-renewable-energy-market-potential/article4074300.ece), the country has emerged as one of the leading destinations for investors in renewable energy. Massive energy needs, an enabling regulatory framework and a vibrant private sector are helping India to exploit its huge renewable energy potential to a reasonable extent. India stands fourth in the list of Country Attractive Index for Renewable Energy, behind China, Germany and US according to an Ernst & Young report, As of March 2013 the installed capacity of renewable energy resources is 28,068.45 MW (http://mnre.gov.in/mission-and-vision-2/achievements/), with the wind segment dominating with a share of almost 68% of the total installed capacity of renewable energy in the country.

In addition to being placed fourth in terms of country wise attractive index, India stood second in terms of solar index and third in terms of wind index. India has been consistently ranked among the top five countries globally in terms of its market potential for renewable energy as per the report.

Among other renewable energy technologies, solar power has the greatest potential given the abundance of incident radiation on the Indian mainland. India plans to add nearly 34 GW of solar energy by 2020 particularly through massive deployment of solar photovoltaic (PV) and solar rooftop applications, taking solar energy's share to 8% of the installed capacity, according to the Greenpeace report, Energy [R]evolution India.

Other renewable energy technologies are also expected to play a vital role in the future growth of this sector, with small hydro-power (< 25 MW) tagged at a potential of around 25 GW. This will mostly be driven by private investments and by 2020 India will have added at least 5 GW of small hydro-power, even by the most conservative estimates.

Biomass-based electricity generation is expected to hold a minimum potential of 24 GW largely from a continuous flow of economical non-productive agricultural residues and farm product wastes.

Dr. Farooq Abdullah Union Minister of New and Renewable Energy said that India is determined to increase its share of Renewable power in the electricity mix to 15% by 2020. (http://pib.nic.in/newsite/erelease.aspx?relid=84919)

India has made continuous progress in conventional and renewable energy generation, achieving a vertical growth trajectory in its power sector since 2002 during the country's Tenth and Eleventh Five Year Plan periods. The country's renewable energy sector has chalked out an impressive growth curve, galvanized by the implementation of the Electricity Act in 2003.

Time Period	Thermal (MW)	Hydro (MW)	Nuclear (MW)	Renewable Energy (MW)
Installed capacity as on 1.04.2002	74,429	26,269	2,720	1,628
Capacity Addition: 2002-07	12,586	8,385	1,180	8,900
Capacity Addition: 2007-11	25,809	2,913	880	9,446

Although India has witnessed substantial gains in the renewable energy domain, the country still needs to make sustained and focused efforts to develop its renewable sector and realize its vast potential. To achieve this, all the stakeholders, including the Central and State governments, the public and private sectors, and research and scientific institutions and banks and other lending institutions need to make a concerted effort to help India secure its energy needs without endangering the country's environment and thereby, actively contribute to balanced regional development.

The withdrawal of some of the benefits by the Central Government which it had extended to the renewable energy sectors in the past namely the Generation based incentive (GBI) and accelerated depreciation scheme did impact the speed and size of the installed capacity in the wind segment, as only 1,700 MW of Wind capacity was added during 2012-13 as against 3,164 MW during the previous year. After taking cognizance of this and realizing the benefits which renewable energy can offer, the finance minister decided to re-implement the GBI scheme during this years' budget and this would certainly go a long way in accelerating growth in the wind energy sector.

The Government also proposed to double its renewable energy capacity by 2017. However in order to achieve the same, it will have to persist with extending its incentive offerings to wind as well as other modes of renewable sources. Ministry of New and Renewable Energy (MNRE) has recommended a 60% increase in the GBI from INR500/MWh (€7.0/MWh) to INR800/MWh (€11.12/MWh), and also for expanding the cap on the total capacity eligible to claim the subsidy before 31 March 2018, from 4 to 15GW. The final notification spelling out the exact quantum of benefits is awaited from the Government. Besides, the renewable energy industry needs to have a more benign lending regime with softer lending rates since the present cost of borrowings is proving to be a dampener for further investments in the sector.

WIND

Global Scenario

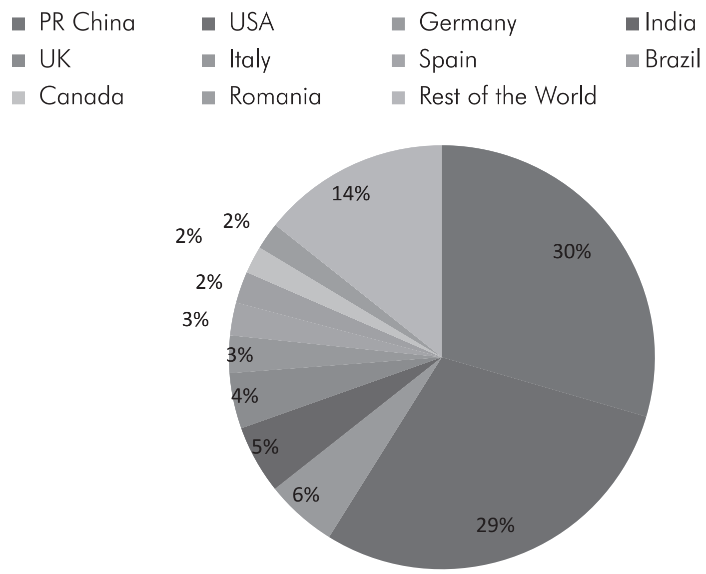
The global wind power market grew strongly in 2012, as it registered an annual market growth of almost 10%, and cumulative capacity growth of about 19%. The past year was a record year for US as far as installations are concerned while China's market witnessed a slow growth and resulted in both the countries sharing the honours for the top spot in 2012.

While China paused for breath, both the US and European markets had exceptionally strong years. In a last minute rush due to the anticipated expiration of the US' Production Tax Credit at the end of December'12, the US industry installed more than 8,000 MW in the fourth quarter of 2012, ending up at 13,124 MW for the year. European markets, led by Germany and the UK, with surprising contributions from 'emerging markets' in Sweden, Romania, Italy and Poland, accounted for 12.4 GW in 2012, a new record .

Both the Chinese and Indian markets slowed somewhat in 2012, with their annual installations coming in at 13.2 and 2.3 GW respectively. Market consolidation and rationalisation in China, and a lapse in policy in India were the main reasons, but these conditions are expected to be short-lived, and Asian dominance of global wind markets is expected to continue.

Top 10 New Installed Capacity Jan - Dec 2012

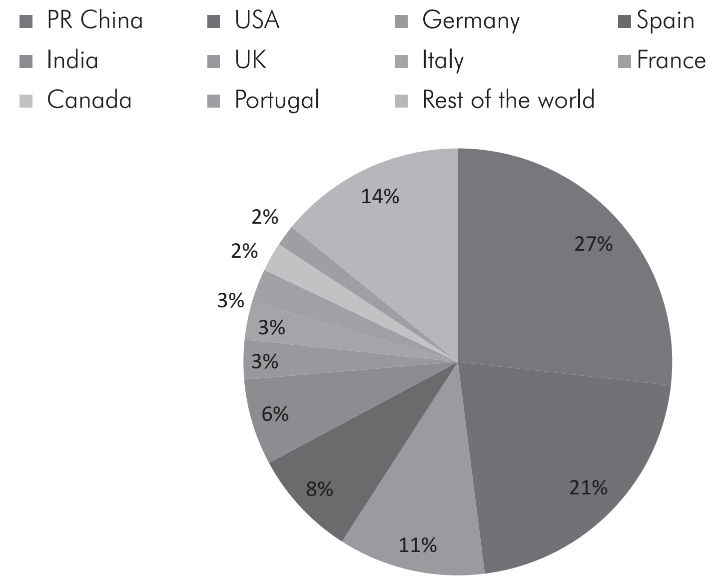
Country	MW	% Share
PR China	13,200	30
USA	13,124	29
Germany	2,439	5
India	2,336	5
UK	1,897	4.2
Italy	1,273	2.8
Spain	1,122	2.5
Brazil	1,077	2.4
Canada	935	2.1
Romania	923	2.1
Rest of the World	6,385	14.3
Total TOP 10	38,326	85.7
World Total	44,711	100



Source: GWEC (www.gwec.net)

Top 10 Cumulative Capacity Dec 2012

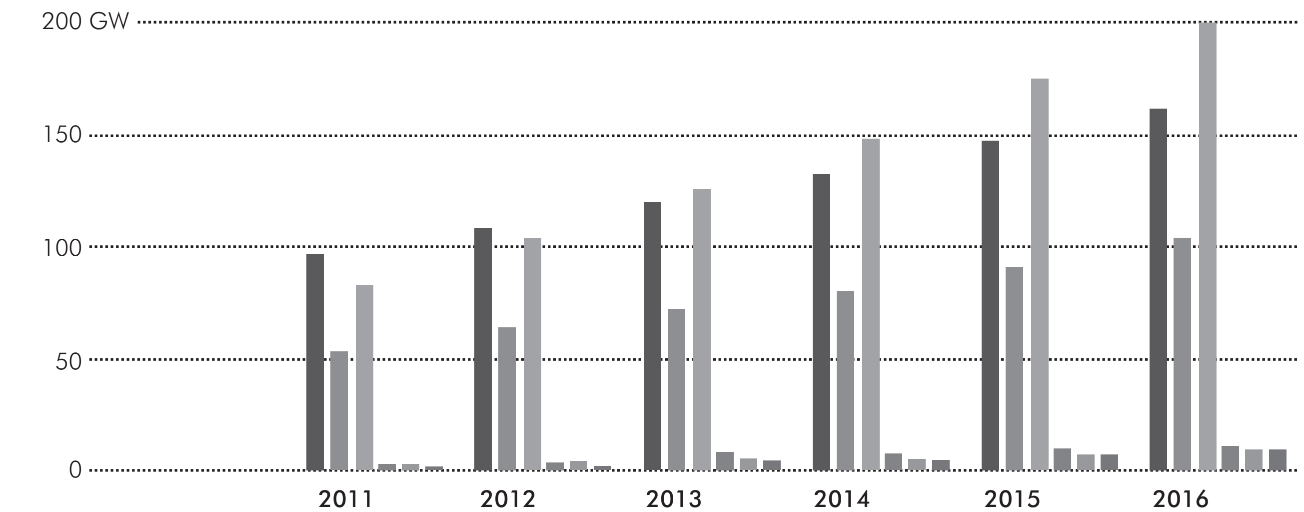
Country	MW	% Share
PR China	75,564	26.8
USA	60,007	21.2
Germany	31,332	11.1
Spain	22,796	8.1
India	18,421	6.5
UK	8,445	3.0
Italy	8,144	2.9
France	7,196	2.5
Canada	6,200	2.2
Portugal	4,525	1.6
Rest of the world	39,853	14.1
Total TOP 10	242,630	85.9
World Total	282,482	100



Source: GWEC (www.gwec.net)

Region Wise Outlook:

Cumalative Market Forecast by Region 2012-2016



	2011	2012	2013	2014	2015	2016
Europe	96.6	107.6	119.6	132.6	146.6	161.6
North America	52.7	63.7	71.7	80.2	91.0	103.02
Asia	82.0	103.4	125.4	148.9	174.1	200.04
Latin America	2.3	3.9	5.6	7.3	9.1	10.89
Pacific	2.9	3.4	4.4	5.4	6.9	8.36
Middle East and Africa	1.1	1.6	2.8	4.4	6.4	9.42

- The global wind industry will install almost 46 GW of new wind energy capacity in 2013, leading to an installed capacity of almost 330 GW by end of 2013
- Total global wind power capacity will be just under 500 GW, by the end of 2016, with an annual market in that year of about 60 GW
- Total installations for the 2013-2016 period are expected to reach 210 GW

- For the next five years, annual market growth will be driven primarily by India and Brazil, with significant contributions from new markets in Latin America, Africa and Asia
- Asia will continue to be the world's largest market with far more new installations than any other region, installing 97 GW between now and 2016 and ending the period with about 200 GW in total capacity and in the process, shall be surpassing Europe as the world leader in cumulative installed capacity during 2013 itself

Source: GWEC

Domestic scenario

The Indian renewable energy industry saw meaningful addition during the year taking the total installed capacity to 28,068.45 MW (http://mnre.gov.in/mission-and-vision-2/achievements/) as of March 2013, almost 12% of the total installed capacity. The Ministry has projected a capacity addition of about 29,800 MW from renewable energy sources during 12th Plan period. It is expected that the contribution of renewable power in the total installed capacity would be in the range of 16 to 17% at the end of 12th Five Year Plan.

As of March 2013, total installed capacity of wind segment stood at 19,051.45 MW, with yearly addition of 1,698.80 MW as against a target of 2,500 MW for the year gone by. (http://www.mnre.gov.in/mission-and-vision-2/achievements/)

With almost 68% of the total Renewable energy installed capacity, wind energy segment continues to be the dominant medium amongst the entire renewable energy space followed by Small Hydro, Solar and Biomass Energy.

Wind Power installed capacity (MW) in India upto March 2012

State	Andhra Pradesh	Gujarat	Karnataka	Kerala	Madhya Pradesh	Maharashtra	Rajasthan	Tamil Nadu	West Bengal	Others	Total
Up to March' 02	93.2	181.4	69.3	2	23.2	400.3	16.1	877	1.1	3.2	1666.8
2002-03	0	6.2	55.6	0	0	2	44.6	133.6	0	0	242.0
2003-04	6.2	28.9	84.9	0	0	6.2	117.8	371.2	0	0	615.2
2004-05	21.8	51.5	201.5	0	6.3	48.8	106.3	675.5	0	0	1111.7
2005-06	0.5	84.6	143.8	0	11.4	545.1	73.3	857.6	0	0	1716.2
2006-07	0.8	284.0	266.0	0	16.4	485.3	111.9	577.9	0	0	1742.1
2007-08	0	616.4	190.3	8.5	130.4	268.2	69.0	380.7	0	0	1663.3
2008-09	0	313.6	316	16.5	25.1	183	199.6	431.1	0	0	1484.9
2009-10	13.6	197.1	145.4	0.8	16.6	138.9	350	602.2	0	0	1564.6
2010-11	55.4	312.8	254.1	7.4	46.5	239.1	436.7	997.4	0	0	2349.2
2011-12	54.1	789.9	206.7	-	100.5	416.5	545.7	1,083.5	0	0	3196.7
Total	245.5	2966.3	1933.5	35.1	376.4	2733.3	2070.7	6987.6	1.1	3.2	17351.5

Source: mnre.gov.in (http://www.cwet.tn.nic.in/html/information_yw.html)

Tamil Nadu, Gujarat, Maharashtra, Rajasthan & Karnataka continue to remain the dominant states as far as installation of wind capacity is concerned, with total installed capacity of 17,691 MW of the total 18,551 MW capacity installed on a nationwide basis; representing almost 95% of the total installed capacity (as of February 2013) (http://www.cwet.tn.nic.in/html/information_isw.html).

Last year, US based Lawrence Berkeley National Laboratory estimated that the real wind energy potential in India is well over 2000 GW , which was higher than the official estimate – about 20 times greater than the government estimate of 102 GW. The cost of wind power is now comparable to that from imported coal and natural gas-based plants, and wind can play a significant role in addressing energy security in a cost effective manner as well as address environmental concerns.

State-wise Cumulative Wind Power Capacity Addition Forecast from FY 2012-20 (Grid-connected)

S No	State	Year Wise Wind Energy Capacity Addition from FY 2012-20 (Cumulative) in MW								
		FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
1	Andhra Pradesh	246	335	457	623	850	1,160	1,583	2,159	2,946
2	Gujarat	2,966	3,395	3,886	4,448	5,092	5,828	6,671	7,636	8,741
3	Karnataka	1,934	2,224	2,559	2,944	3,387	3,897	4,483	5,158	5,934
4	Kerala	35	50	72	102	146	208	297	424	605
5	Madhya Pradesh	376	413	453	496	544	597	655	718	787
6	Maharashtra	2,733	2,931	3,143	3,370	3,614	3,875	4,155	4,456	4,778
7	Rajasthan	2,071	2,369	2,709	3,099	3,545	4,056	4,639	5,307	6,071
8	Tamil Nadu	6,988	7,687	8,456	9,303	10,234	11,258	12,385	13,624	14,988
	Total	17,348	19,404	21,735	24,386	27,412	30,878	34,868	39,481	44,848

Key Challenges for Wind sector:

Land acquisitions & clearances:

- Absence of timely receipt of clearances from the Forest department or any other land authority is still a bottleneck for the sector; which continues to persist despite various policy initiatives undertaken by the Government to boost the renewable energy segment in general and wind sector in particular
- Delays in obtaining requisite clearances results in cost overruns ultimately affecting the financial viability of the project

Inadequacies in grid evacuation network and execution risks:

- Lack of transmission infrastructure leading to frequent grid back down problem continues to affect the pace of wind energy sector especially in states like Tamil Nadu
- Fragile financial position of state discoms, primarily on the back of accumulated losses due to not raising tariff periodically and delays in execution of planned investments continue to remain key areas of concern

Counter-party credit risks pertaining to state discoms:

- The counter- party credit risks of state utilities in most of the states which continue to have increased expenses without any significant improvement in the revenues continues to remain a major worry
- Trickledown effect of weak financial position of Discoms on the financials of most of the wind asset owners resulting in the need for restructuring of loans availed by such wind asset owners as well as re-negotiation of PPA terms

Lack of compliance with the regulatory requirement:

- Lack of coherency between national renewable energy target set by NAPCC and respective state RPO targets fixed by state electricity regulators
- Multiple factors responsible for ineffective enforcement of RPO targets across the country due to absence or lack of clear guidelines or criteria for ensuring compliance at state-level.
- Delay in timely finalization and execution of Power Purchase Agreement (PPA) by certain state utilities despite directive by State Electricity Regulatory Commission

Unfavourable lending regime

Lack of adequate support from Government and lending institutions by way of softer interest costs is hurting industry at the operational level as well as the expansion initiatives.

Biomass

Global biomass-to-power investment has been steady in recent years, showing neither dramatic growth nor great decline. However, these market trends vary by region. Announcement regarding subsidy cuts in the UK, Italy, and Poland show that the European governments are keener than ever to reduce the cost of renewable energy to the consumer.

The current global median levelized cost of electricity for biomass incineration of US$119 (€90.3)/MWh makes it competitive with other forms of renewable generation, but subsidy cuts and tightening regulations are causing some announced projects to be delayed. Nonetheless, a new interest in large biomass conversions using imported feedstock means that Europe will continue to be a growth market.

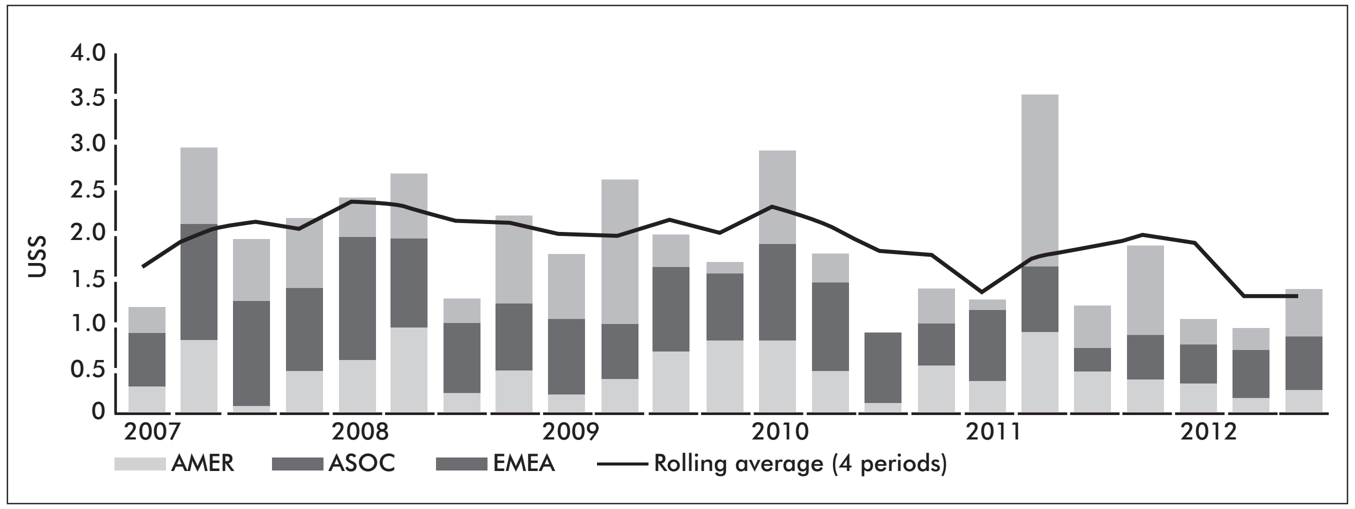
Biomass-to-power is experiencing a renaissance in the UK, Denmark, the Netherlands, Belgium and Poland as some older coal power stations are planning to convert completely to wood pellets. Biomass conversion plants add significant renewable base load capacity to the grid, often in excess of 500 MW per project. Country targets for renewable generation under the European 2020 plan also play a role, as biomass conversion plants can use existing infrastructure and help quickly bulk up a renewable portfolio.

The "dash for gas" in the US has left many biomass plant operators struggling to make money. As a form of base load power, biomass competes directly with gas and coal generation and a drop in the cost of gas generation has pushed biomass down the US power merit order. Unlike other forms of renewable energy, feedstock costs are a significant factor in biomass-to-power plant operating expenses. Volatility in feedstock costs can easily lead to losses, especially when margins are tight.

China continues to churn out a steady string of medium-sized biomass incineration plants, most of which use local agricultural residue as a feedstock. While the deal flow began to ebb slightly in H2 2012, strong government targets will continue to drive market growth.

Brazilian sugar and ethanol production also provide other biomass opportunities, as residues that can be used in electricity generation are created throughout the production process. Biomass could provide an additional source of extra revenue for sugarcane plants, many of which currently use inefficient boilers.

Global biomass-to-power asset finance investment, Q1 2007-Q3 2012



Source: BNEF

Domestic scenario

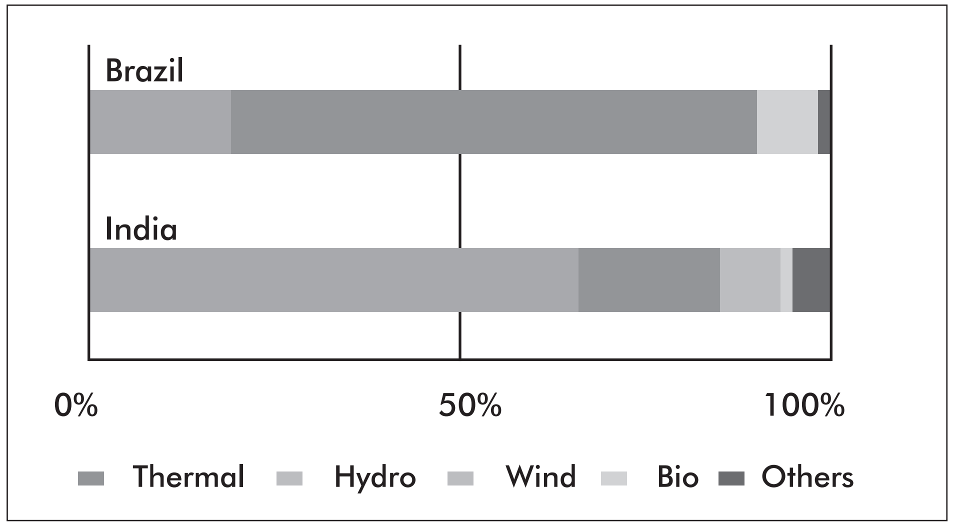
Biomass based power production is still relevant today especially in the Indian context. It is estimated that from 1999, more than 85% of India's rural population was dependent on traditional fuels (biomass and cow dung-cake) for their basic energy needs.

This is mainly because of its potential to provide distributed power at the rural level, especially for small remote villages that have good access to biomass but no access to grid power and which require only small scale power production. The total installed capacity of biomass based power as of 31st March 2013, stands at 1,264.80 MW.

India has in the recent years looked largely toward Wind and Solar energy for alternative sources of energy as well as reduction in emissions. Bio-energy has been the traditional source of energy for a large number of Indian households. However, owing to the challenges associated with developing bio-energy as a large scale source of energy, it attracts lesser attention in general.

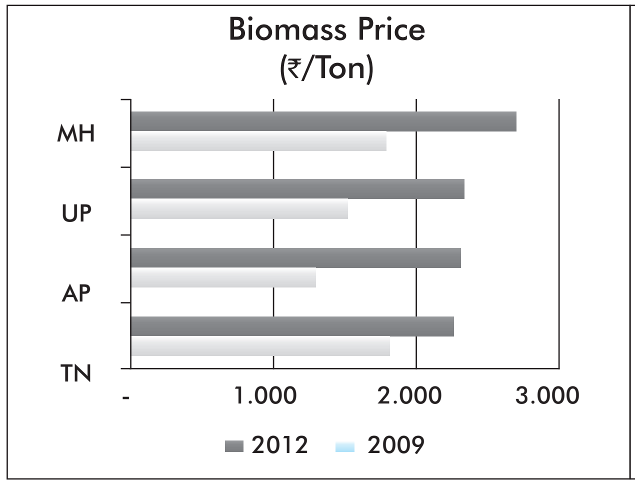
Favorable conditions including abundant volume of biomass feedstock availability make US, Brazil, Germany and China lead in installed power generation capacity from biomass. In India, a large chunk of biomass is used in cooking and heating rather than electricity generation. Hence, share of Biomass in electricity generation is low compared to other countries. Comparison with Brazil, which is in the same league as India in economic terms, offers a reference point.

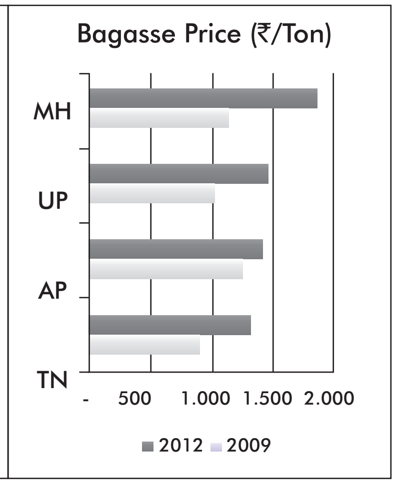
India Vs Brazil – Energy Mix



Source: MNRE, National Energy Balance Report, Brazil 2012

Share of Bioenergy in energy mix in Brazil is 7.3%, much higher than in India with 1.6%. Bagasse based Cogeneration plants are major contributors of the Biomass capacity in both the countries. Primary risks associated with bioenergy include fuel prices and availability. Biomass prices and availability vary as per season, agro-climatic conditions and crop patterns.





Source: CERC RES Regulations on Tariff Determination in 2009 & 2012

Despite the potential benefit which biomass energy can offer, the present situation of most of the biomass power producing firms continues to be under stress on account of multiple problems; following which most of them have sought the intervention of the Forum of Regulators (F-o-R) for early resolution of issues relating to open access, cross-subsidy, CDM sharing, penalty clause imposed by certain distribution companies by way of UI Charges and rate structure. The sector is also not supported by other policy measures like Generation Based Incentive. Some of the states have decided to increase the rate of cross-subsidy surcharges, thus making open access difficult for the consumer and Industry. The Indian Biomass Power Association, a newly formed body to represent the cause of this category of renewable energy, has written to the Ministry of New and Renewable Energy to offer Generation-Based Incentive (GBI) along the lines of that extended to wind power projects. Below mentioned are some of the benefits which the producer will avail post the implementation of the scheme.

- ✓ GBI provides a means of ensuring that the projects are installed and operated for maximum possible PLF
- ✓ GBI would provide partial protection against fuel price fluctuation, as more than 60% of the Biomass tariff is fuel cost
- ✓ GBI is intended to improve project IRR to 16-18% for better bankability of new projects and resurrecting the stressed units from financial crisis
- ✓ Attracting higher level of investment and reinstate investment and Investor confidence in the biomass power sector, which is currently not attracting any investors

According to the current 11th five-year plan 2007-2012, 15,000 MW of installed capacities were to be operational in this period in the segment of renewable energies alone. 2,100 MW of these capacities was to come from electricity generation from solid biomass and waste incineration. As waste incineration still only plays a minor role in India, the major part of these capacities accounts for incinerating biomass.

In an attempt to give a boost to the biomass energy segment Government is also planning to launch a national mission on biomass on the lines of the programme to promote solar energy in the country, under which the Government is planning to produce more than 4,100 MW of power from biomass energy resources by the year 2020. First phase of the programme will be in the 12th plan while the second phase would be in the 13th five year plan.

Goals for developing renewable energies in India

Energy source	Goals 11th five-year plan (2007-2012)	Goals 12th five-year plan (2012-2017)	Goals 13th five-year plan (2012-2022)
Wind Power	10,500	11,000	11,000
Biomass	2,100	2,100	2,000
Small-scale water plants	1,400	1,600	1,500
Solar energy	1,000	3,800	16,000
Sum	15,000	18,500	30,500

Source: Working group for the 12th five – year plan 2012

Small- Hydro Energy

In India, hydro power projects with station capacity of up to 25 MW fall under the category of small hydro power (SHP). The responsibility of developing the same is on Ministry of New and Renewable Energy. India has an estimated potential of 19, 750 MW of Small Hydro power (SHP) as per Dr. Farooq Abdullah, Minister of New and Renewable Energy.

Till August 2012, 898 SHP projects with an aggregate capacity of 3,411 MW had been set up and 348 projects aggregating to 1,309 MW were under implementation. During the 11th Plan, a capacity of 1,419 MW was added against 536 MW during the 10th Plan. A capacity addition of 2,100 MW from SHP projects has been planned during the 12th Five Year Plan.

The low utilisation of the country's SHP potential is attributable to several factors, including: challenges in setting up plants in difficult and remote terrain; delays in acquiring land and obtaining statutory clearances; inadequate grid connectivity; and high wheeling and open access charges in some States.

SHP plants offer number of advantages, main being the ability to generate "clean energy" at a competitive cost; they have features that make them suitable for peaking operations; they are less affected by rehabilitation and resettlement (R&R) problems vis-à-vis large hydro power plants; they can meet the power requirements of remote and isolated areas; and they use mature and largely indigenous technology.

The SHP programme is mainly private investment driven. Since these projects are economically viable, the private sector is keen on investing in them. The viability of these projects improves as the project capacity increases.

The MNRE ministry has been providing Central Financial Assistance (CFA) to set up small / micro hydro projects both in public and private sectors. Financial support is also given to the State Government for identification of new potential sites including survey and preparation of DPRs, and renovation and modernization of old SHP projects. In addition it also helps the state Governments in formulating their policies for the development of small hydro projects and exploitation of this potential.

Renewable Energy Certificate

In a bid to promote the renewable energy market in India, the Indian government has framed policies under the Electricity Act, 2003 and the National Action Plan on Climate Change (NAPCC). The Renewable Purchase Obligation and Renewable Energy Certificates (REC) are one such policy instrument to catalyze the development of renewable energy.

The CERC has defined broad guidelines for development of Renewable Energy in the country and its share in the energy mix while Individual States are permitted to define the mandatory share of renewable energy in the energy mix for entities within their jurisdiction. This mandatory share that is to be generated from renewable power is known as the Renewable Power Obligation or RPO. A Renewable Energy Certificate is a market based instrument which enables the obligated entities to meet their Renewable Purchase Obligation (RPO) by sourcing Renewable Energy Certificates in lieu of Renewable Energy or complementing the same.

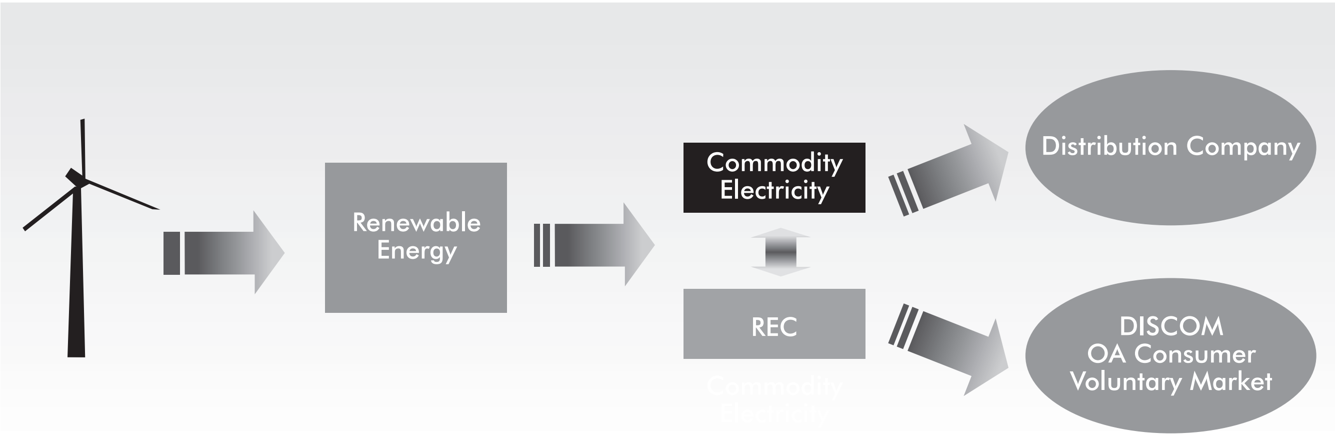
RECs unbundle the electricity component (commodity) from the green/environmental attributes of the power generated from renewable sources. Both the components can then be traded separately. Thus RECs help in incentivizing the production of renewable energy over and above the RPO state limit as tradable certificates are not constrained by the geographical limitations of commodity electricity.

In India, all energy distribution licensees are entitled to buy a minimum level of renewable energy as per Electricity Act imposed by the State Electricity Regulatory Commission (SERC). However, renewable energy resources are widely dispersed in the country and are concentrated mostly in States which have already achieved high level of RPO. Even if some of these states do not buy renewable energy beyond their obligation, the renewable energy generator can sell the electricity component locally at the price of conventional electricity and trade the environmental attribute in the form of REC separately.

The other advantage of this mechanism is that renewable energy resource deficient States can fulfill the renewable energy obligation by purchasing the RECs in the Power Exchanges approved by Central Electricity Regulatory Commission.

REC Mechanism

Under the REC Mechanism, when Renewable Energy is generated (solar, wind, biomass, etc), the energy is divided into two components – the physical commodity electricity and a tradable certificate, which is the Renew able Energy Certificate (REC). The schematic is given below

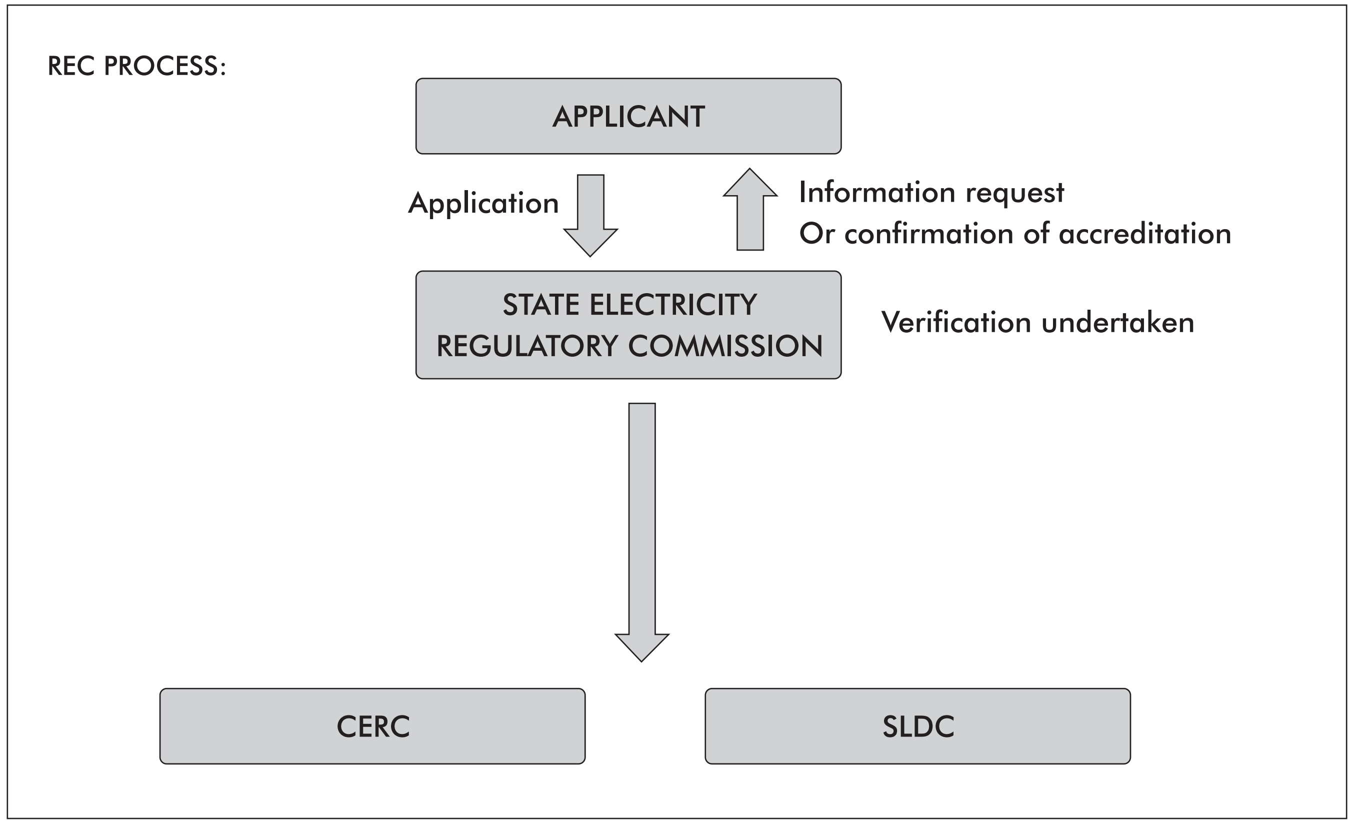


Source: MNRE

The commodity electricity is sold to the distribution company/utility (or any user) at a mutually agreed tariff while the REC can be traded in the exchange. As mentioned earlier, the utility companies can make up for their shortfall in meeting the RPO targets by buying the RECs from the exchange.

The denomination of each REC is 1 MWh (1 REC = 1000 units (kWh) of electricity generated). In other words, the electricity producer can sell 1 REC for every 1000 units of electricity generated.

- The REC is divided into two types
    - Solar REC
    - Non-solar REC
- The RECs are valid for 730 days from the date of issuance of the certificate. The price band for Non-Solar RECs has been fixed at a floor of ₹1500 per REC with a forbearance price of ₹3300 per REC.



STEP 1

The application for accreditation is to be made to the host State Agency (state electricity regulatory commission). The application will then be made on the Web Based Application and the same information in physical form will be submitted to the State Agency.

STEP 2

The State Agency then assigns a unique acknowledgement number to the Applicant for each application for accreditation of its RE generation project, for any future correspondence.

STEP 3

Post, receipt of application in physical form for accreditation, the State Agency shall conduct a preliminary scrutiny to ensure Application Form is complete in all respects along with necessary documents and applicable processing fees and accreditation charges. The State Agency shall undertake preliminary scrutiny of the Application within 5 working days from date of receipt of such Application.

STEP 4

After conducting the preliminary scrutiny, the State Agency shall intimate in writing to the Applicant for submission of any further information, if necessary, to further consider the application for accreditation or reject the application. The reasons for rejecting the application for accreditation shall be recorded and intimated to Applicant in writing within 2 working days from date of receipt of the completed application by State Agency.

STEP 5

From the application for accreditation of Renewable Energy (RE) project, the State Agency will verify and ascertain the following:

- Undertaking of 'Availability of Land' in possession for setting up generating station
- Power Evacuation Arrangement permission letter from the Transmission Utility or the Distribution Licensee
- Confirmation of Metering Arrangement and Metering Location
- Date of Commissioning of RE project for existing eligible RE Project or Proposed Date of Commissioning for new RE project for accreditation
- Undertaking regarding Off-take/ Power Purchase Agreement
- Proposed Model and Make for critical equipment (say, WTG, STG, PV Module) for the RE Project and confirmation of compliance of critical equipment with relevant applicable IEC or CEA Standards
- Undertaking for compliance with the usage of fossil fuel criteria as specified by MNRE
- Details of application processing fees/ accreditation charges

STEP 6

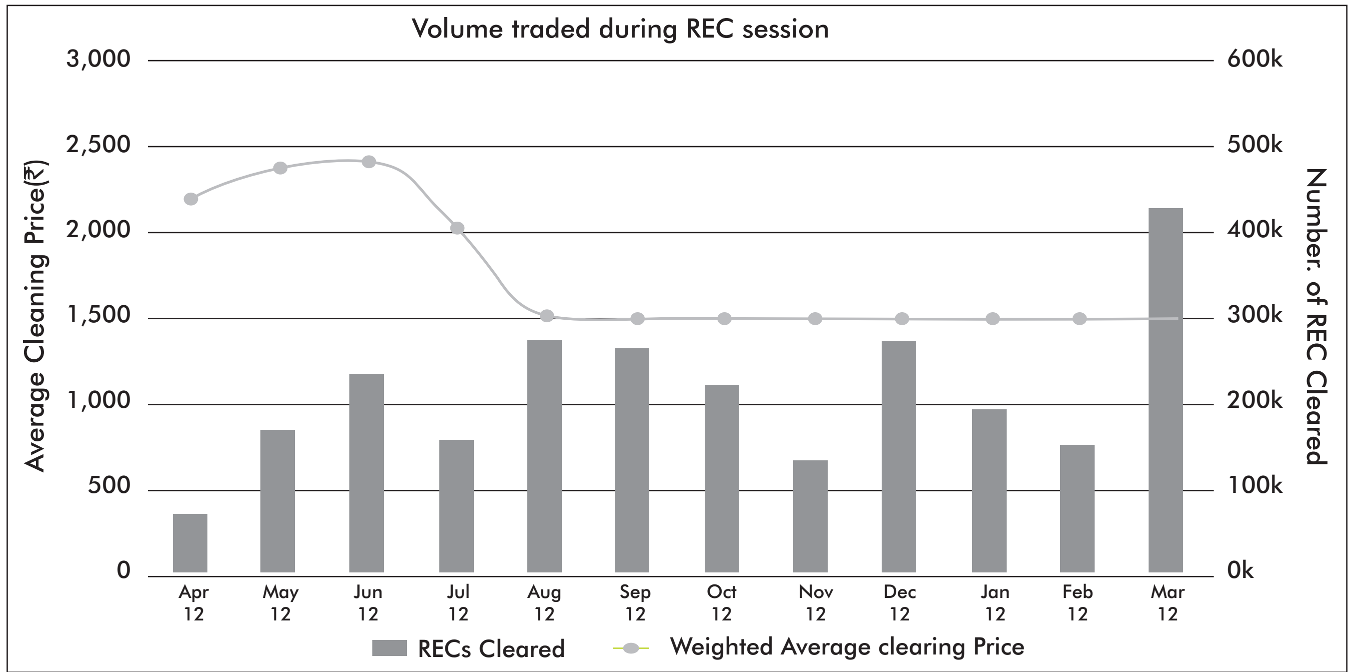
After duly inspecting/verifying conditions in step 5 the State Agency, shall grant 'Certificate for Accreditation' to the concerned Applicant for the proposed RE Generation project and assign a specific project code number to that effect which shall be used by the such Applicant (Eligible Entities) for all future correspondence with the State Agency. The process of accreditation shall normally be completed within 30 days from date of receipt of complete information by State Agency. In case accreditation is not granted at this stage, the reasons for rejecting the application for accreditation shall be recorded and intimated to Applicant in writing.

STEP 7

If accreditation is granted, the State Agency will intimate accreditation to RE generation project to the following entities,

- ✓ CERC
- ✓ Host State Load Despatch Center
- ✓ The distribution company in whose area the proposed RE generation project would be located.

Performance of REC during the Year



Month	Op.Balance			REC Issued			REC Redeemed			Closing Balance		
	Solar	Non Solar	Total	Solar	Non Solar	Total	Solar	Non Solar	Total	Solar	Non Solar	Total
Apr'12	-	38,545	38,545	-	122,369	122,369	-	71,226	71,226	-	89,688	89,688
May'12	-	89,688	89,688	-	230,448	230,697	10	168,685	168,685	239	151,461	151,700
Jun'12	239	151,461	151,700	324	258,801	259,125	342	236,485	236,827	221	173,777	173,998
Jul'12	221	173,777	173,998	328	382,384	382,712	179	158,220	158,399	370	397,941	398,311
Aug'12	370	397,941	398,311	190	474,594	474,784	379	273,893	274,272	191	598,642	598,823
Sep'12	181	598,642	598,623	1,443	568,124	569,567	1,160	264,446	265,606	464	902,320	902,784
Oct'12	464	902,320	902,784	1,412	614,478	615,890	1,791	222,700	224,491	85	1,294,098	1,294,183
Nov'12	85	1,294,098	1,294,183	1,603	392,485	394,088	1,219	132,352	133,571	469	1,554,231	1,554,700
Dec'12	469	1,554,231	1,554,700	992	382,391	383,383	1,208	273,644	274,852	253	1,662,978	1,663,231
Jan'13	253	1,662,978	1,663,231	3,306	304,238	307,544	2,308	193,337	195,645	1,251	1,773,879	1,775,130
Feb'13	1,251	1,773,879	1,775,130	1,882	314,917	316,799	2,234	152,952	155,186	899	1,935,844	1,936,743
Mar'13	899	1,935,844	1,936,743	2,917	268,323	271,240	3,183	427,871	431,054	633	1,776,296	1,776,929
Total	4,432	10,573,404	10,577,836	14,646	4,313,552	4,328,198	14,013	2,575,801	2,589,814	5,065	12,311,155	12,316,220

Source: (https://www.recregistryindia.nic.in/index.php/general/publics/recs)

The REC market started on a bright note during the beginning of the fiscal on the back of improved trading and favourable pricing environment. With the start of the wind season in May'12, REC trading saw a surge in traded volume, more than doubling the volumes in April'12. The momentum continued during the end of first quarter with June'12 witnessing the highest volume ever to be transacted in REC market till date. The primary reason for the higher prices during the first quarter is that it presents an opportunity to the obligated entities to fulfill their commitment at a lower price as the market tends to pick up gradually after April. With the initial rush for purchases getting over, the market settled down for a lean period. However the decline was short lived as REC trade in August'12 recorded the highest volume ever transacted in the REC Markets to date. The volume of Non-solar RECs traded were about 16% higher than the previous high in June'12 this year. However prices dropped to ₹1,500 with supply far outstripping demand. REC market in September 2012 recorded the highest volume of REC issuance ever resulting in the highest closing balance in the REC trade while demand remained subdued. Price realization remained at floor level of ₹1,500 with all the buy bids cleared at both the exchanges.

With supply of non-solar RECs outstripping demand by six times during October'12, the trading session closed at the floor price. By the end of the year, demand increased substantially to reach 431,054 from 155,186 in February'12 (an increase of 177.7%). This was also the highest volume cleared in the financial year in a single month, the progression in the volume was mainly led by the fact that it was the last trading session for the compliance period 12-13. However, prices remained at floor despite the rise in demand, mainly due to significant inventory over hang of the past period.

For OGPL, REC's contribution to the overall business while being significantly high as compared to previous years was nonetheless lower than expected during the year, as it was mainly hampered on account of excess supply of certificates at its base / floor price. Lenient enforcement of RPO obligation led to lower demand as most of the obligated entities failed to meet their stipulated requirement leading to excess supply of certificates in the market. In an attempt to revive the demand, the regulators had decided to extend the validity of the certificates from earlier 365 days to 730 days as it believes that the extension will give the renewable power generators sufficient time and opportunity to trade the RECs at the power exchanges.

Area of Business

OGPL is a leading Indian independent renewable energy-based power generation company focused on developing, owning and operating a diversified portfolio of renewable projects. Currently the portfolio includes biomass, biogas, wind energy and small hydroelectric projects at various stages of development.

As of March 31, 2013, our total portfolio of operating projects included 400 MW of aggregate installed capacity, which comprised of 339 MW of wind energy projects and 61 MW of biomass projects.

Wind Energy Business

One of the top two independent operators and developers of wind farms in India based on aggregate installed capacity - the wind energy business of OGPL focuses on the development and operation of wind farms.

With a total of nearly 339 MW from wind, our wind farms are located in the states of Tamil Nadu and Andhra Pradesh, which are among the top four Indian states with the highest wind potential and which have favorable incentives for renewable energy companies. The presence in Tamil Nadu is being expanded along with other locations in Andhra Pradesh and Gujarat.

Considering the fact that the Indian renewable energy market provides multiple opportunities for growth given its current size and potential, the management felt it prudent to divest its entire stake in its Sri Lankan Subsidiary Powergen Lanka (Private) Limited and accordingly, this company is no longer a subsidiary of OGPL and the proceeds of the sale have been deployed in the Indian business.

Our operating capacity in Wind Power increased from 306.5 MW in March 2012 to 339 MW as of March 2013. The average realization from wind power for the year was higher mainly due to general tariff increase in Tamil Nadu after many years which allowed the company to benefit by way of tariff increase as per contractual terms with its group captive consumers in the state. However we weren't able to reap the entire benefit from higher realisation as the same was somewhat negated due to steep increase in transmission charges effective August 2012. The company has since filed an appeal before Appellate Tribunal for Electricity and obtained a favourable order for roll back of the transmission charges and this would result in much lower transmission charges from the year 2013-14. Sales from Wind Power increased from ₹119.4 Crore in FY12 to ₹214 Crore in FY13 an increase of 79%. PLF's witnessed significant improvement aided by better wind and machine availability, greater proportion of new machines and preventive maintenance of machines which resulted in lower downtime. The year also saw significant revenues coming from sale of Renewable Energy certificates (REC) by the eligible projects. However, the Company continued to face back down of generation due to transmission congestion leading to some loss of generation of power. The Tamil Nadu state utility is taking steps to address the infrastructure and grid congestion problems and it is expected that this problem should go away within about couple of years.

Capacity Expansion Plans that are scheduled in the first half of FY14:

- 11.2 MW Project in Tamil Nadu
- 43.2 MW Project in Andhra Pradesh
- 25.2 MW Project in Gujarat

Besides, the company shall take effective steps to complete the balance capacity expansion programme in order to complete the entire 300 MW wind project to ensure commissioning before the next wind season starts.

Biomass

For FY 13 sale of power was higher by 51% at ₹154.3 Crore, up from ₹103.4 Crore in the previous year. Units exported increased to 259 Million in FY13 from 211 Million in FY12, driven by improved PLFs, increased sales realisation in southern plants, robust REC sales and full year operation of new plants of 20 MW added in FY12. The average sales realisation without considering REC revenues was at ₹5.96 per Kwh as against ₹4.84 per Kwh in the previous year. The operational performance of biomass business was however hampered to a certain extent on account of temporary shutdown of one of our plants in North and due to lack of availability of fuel at viable cost. Also we had to temporarily suspend operation in our plant located in Rajasthan to comply with the regulatory requirement for allowing switching from power trading to merchant sale.

Blended Fuel cost across all units also rose sharply to ₹4.34 per Kwh of power generated due to less availability of dry fuel and non availability of cheaper fuel sources. We are exploring options which will help us to diversify the raw material source for biomass and help us mitigate against sharp upward movements due to irregular availability. The company has also started the initiative of energy plantation in small measure during the year and this is expected to grow in the coming years thereby aiding fuel security at very reasonable costs.

Capacity Expansion Plans for FY14:

- 10 MW Project at Narsinghpur, Madhya Pradesh
- 20 MW Project at Kolhapur, Maharashtra
- 8 MW Project at Kishanganj, Rajasthan
- 7.5 MW Project at Maraikal, Andhra Pradesh

The Company has during the year, after obtaining shareholders' approval, decided to abandon its expansion plans for setting up 3 more biomass plants in view of the continued uncertainty regarding fuel availability and tariff fixation in the respective states.

SWOT Analysis

Strengths

Domain expertise: A large proportion of the Senior Management Personnel and employees possess relevant industry knowledge through several years of experience in similar business verticals. This has helped the company to deal with the immense challenges affecting the industry and helped in improving the operational performance of the company to gradually enable it to achieve its stated objectives.

Size of Opportunity: The large power deficit in general across the country and the shortfall in supply compared to the ever increasing demand present a vast opportunity for power producing companies. As a country, India has abundant natural resources and conditions such as adequate sunlight, good quality wind sites, a vast network of rivers, large scale agricultural activity, etc. which make it favourable for all forms of renewable energy be it solar, wind, hydro or biomass. In addition, given the fact that majority of the power generation capacity is geared towards thermal sources which are facing well known issues on fuel supply, pricing, etc. the focus and attractiveness of energy generation through renewable sources is continually rising. The Climate Change initiatives of Government of India to continuously improve Renewable Energy Capacity provide significant growth opportunities. Also the gradual approach towards parity between cost of power generated from renewable and non-renewable sources further enhances the attractiveness of renewable power.

Diversified Operations and Economies of Scale:

OGPL has a well balanced asset structure in place for its entire business. It's assets generating wind power comprises of wind turbines from multiple manufacturers, specifications & capacities; while its biomass plants can incorporate a variety of feedstocks. In addition, it offers benefits of geographical diversification with its plants being located at various states across the country and the right mix of customer base at various locations with different risk profiles. The diversified operations together with the slowly increasing scale of the business will enable it to be better positioned to mitigate the risks associated with its business as well as to exploit the emerging opportunities to profitably grow the business in the years to come.

Regulatory Support: The sector has been a recipient of certain incentives like accelerated depreciation; Generation based incentive, REC, etc. which have provided much needed assistance to grow the industry. Going forward, the regulatory support is expected to continue as the industry gradually transforms itself from a fledging to a mature industry.

Strong Promoter Group: OGPL is part of the Shriram Group conglomerate which is a reputed business group with several interests in India and overseas. It has other interests ranging from vehicle finance, personal finance, chit funds besides non-financial businesses like Engineering, Procurement and Construction, Power, Real Estate and Insurance businesses. The Group has further consolidated its stake in OGPL with timely financial and strategic support.

Weakness

Tariffs are market determined: Realisations earned are dependent on the tariff rates prevailing in the market. While merchant tariffs are reflective of the demand and supply trends in the market, the long-term rates offered by SEBs are not reflective of market conditions. While the regulators have shown some inclination towards revising tariffs to improve the general viability for power suppliers, there is no guarantee that tariffs will keep pace with increasing costs.

Exposed to vagaries of nature: Given the nature of our business; the level of output which we generate on a regular basis is largely dependent on weather conditions which are unpredictable and hence not under our control.

Elongated working capital cycles: Few of our clients to whom we supply electricity may face difficulties in honoring commitments on making timely and full payment to us and hence may extend our receivable cycle.

Susceptible to delays: Given the nature of our business, any delay by the sub-contractors in executing our projects as well as delays on account of other environmental factors or cost escalations can make the projects less viable or even unviable.

Regulatory issues associated with incentives: Certain benefits like Generation based incentive and Carbon Emission Reduction incentives are dependent on regulatory support and timely renewal and any delays in receiving these benefits could seriously impact the business.

Lack of adequate grid evacuation facility: In Tamil Nadu, where the Company has significant installations, the wind energy operators are facing back down of power generation due to grid evacuation congestion.

Lack of support by way of lower interest costs: The industry in general is faced with steep borrowing costs without proper Government support in the form of interest subvention, etc.

Opportunities

Improving customer mix: In an attempt to limit our exposure to SEBs given their deteriorating financial condition, we have gradually started broadening our customer base by selling to captives and / or third parties. We believe this will assist us in procuring timely receipt of our receivables and help us in improving our working capital cycle. In addition, sale under REC mechanism will also help us in realizing higher revenues and improving our margins.

Large Untapped potential: The demand supply mismatch for power in the country offers a vast and very lucrative business opportunity in the short and the long term. The total potential of Wind energy is estimated to be over 2000 GW (source: US based Lawrence Berkeley National Laboratory) which has only marginally been captured so far.

Purchase of Distressed Assets: Some of the companies which have ventured in the business of renewable energy have been unable to generate returns as planned at the earlier stage and have become almost defunct. We believe that by identifying such companies at reasonable value, we would be able to improve their performance on the back of our domain knowledge and thus achieve attractive returns on the same.

Refinancing Debt: Our interest costs have increased due to increase in amounts borrowed and firming up of interest rates. While the interest outgo is extremely high at present, we believe that our cash flows are improving and that recent policy measures to reduce interest rates will take effect in the near future which will allow us to manage our obligations better and consider opportunities to refinance some of our high cost debt enabling us to improve our financial position.

Abundant Capital: Certain incentives and initiation like priority sector lending and tax free bonds will help in broadening the sources of funds availability needed to finance the projects. Such measures should help in lowering the cost of capital which in turn will result in reduction of required threshold limit needed for implementation of projects.

New Verticals: While at present our area of business revolves around power generation from Wind and Biomass, however as with any growing company, we continually evaluate our options based on our strength and opportunities emerging in other sources of renewable energy such as solar power, hydro power etc. Any such addition will further strengthen and diversify our portfolio.

Threats

Increasing Competition: Growing popularity and awareness of the benefits which the industry offers may encourage other players to enter the field thus resulting in increased competition. Increase in the number of participants can impact the growth & performance of our business in the short & long term.

Regulatory and Political risks: Increase in the level of regulation in the industry can impact our performance. The uncertainty associated with political and regulatory framework can have an adverse effect on our customers and their Capital expenditure plans.

Disruptive technologies: Given the rapid progress made on technological front, the business runs the risk of being impacted by disruptive and obsolete technology.

Performance Analysis

Operational performance overview

During the year, OGPL made further progress towards implementation of its capacity expansion plans. The aggregate installed capacity at the end of FY13 was 400 MW compared to 366 MW at the end of last year. This comprises of 339 MW of Wind and 61 MW of Biomass capacity at end FY13 compared to 305 MW of wind capacity and 61 MW of biomass capacity at end FY12.

The increase in revenues from wind energy was not fully reflective of the expanded capacity as the incremental capacity added during the year was not fully operational before commencement of the wind season in May. In the ensuing financial years, this capacity shall be available for full year and would accordingly generate better revenues. Further, due to grid back down in Tamil Nadu, power generation from our wind assets was impacted and the down time of machines on account of such back down ranged between 5 to 10% across some locations in Tamil Nadu. The wind and machine availability was significantly better than previous years and this resulted in improved generation and somewhat mitigated the loss due to lesser grid availability.

The average annualized PLF for our old wind assets was much better this year as compared to the previous year. While we witnessed improved realizations especially in merchant power tariffs. It was offset to some extent due to the steep increase in transmission, distribution and banking charges with effect from Aug 2012. The company had preferred an appeal before Appellate Tribunal for Electricity (APTEL) and APTEL has since passed a favourable order for roll back of the excessive transmission charges which would result in lower costs in the following years.

In the biomass vertical, the full availability of 20 MW capacity added in H2 FY12 has led to an increase in units generated. However, due to operational and other issues, the PLFs achieved at our biomass plants were below peak utilization. The primary reason for this was the planned and unplanned shutdowns at our biomass plants during the year.

Our performance was aided by improvement in realisations as well as significant REC revenues. This was because our plants in Tamil Nadu have been supplying power on merchant basis from FY13 coupled with REC benefits being available. Our plant at Hanumangarh was supplying power through the power exchanges which resulted in a lower tariff. We plan to move sale model for supplying to State utility under preferential tariff from Q2 of FY14. This would lead to improved realisation and margins in the coming year.

Financial Performance overview - Consolidated

The aggregate installed capacity at the end of the year was at 339 MW of Wind capacity and 61 MW of Biomass capacity. The total sale value of the electricity sold amounted to ₹368 Crore as against ₹221 Crore, a jump of 67%.

Net total revenues including other operating income for the year increased by 74% to reach ₹435 Crore as against ₹250 Crore, out of which ₹65 Crore were received under REC mechanism. The sales revenue from the wind business increased by 79% to ₹214 Crore as against ₹119 Crore in FY12. This was driven by increase in wind availability coupled with tariff increase across the board. The average realisation of wind energy during FY13 has been at ₹5.02 per Kwh compared to ₹4.32 per Kwh in FY12. For the biomass vertical, sale of power was higher by 51% at ₹154 Crore in this financial year as against ₹102 crore during FY12. Units exported increased to 259 million in FY13 from 211 Million in FY12, driven by increase in PLF and availability of 20 MW added in FY12 during FY13 and better sales realisation. Our average realization improved from ₹4.84 in FY12 to ₹5.96 in FY13. EBITDA excluding other income and exceptional items for the year was at ₹187 Crore and was significantly higher than the EBITDA of ₹61 Crore in the previous fiscal. EBITDA margins improved significantly from 24.4% in FY12 to 42.9%, due to improved PLF and realisations and inspite of increase in fuel cost in the biomass side and a levy of O&M in wind power and transmission and distribution charges. In FY13, the interest cost was higher at ₹189 Crore increased due to additional borrowings and enhanced capacities, as well as firming up of interest rate. However we have undertaken few initiatives which should help us to reduce to lower the interest outgo in the coming years. One such initiative taken in FY 13 has been to go in for External Commercial Borrowings (ECB) for USD 35 Million to part fund the expansion activities and this has been fully hedged at a lower interest rate than the normal Rupee borrowing.

Depreciation increased from ₹66 Crore to ₹110 Crore; it has increased primarily due to increased capacities.

After adjusting for tax and minority interest, there was a loss after tax of ₹70 Crore this year as against a Loss after tax of ₹69 Crore in FY12.

The Balance Sheet net worth was at ₹1,089 Crore. Our total long-term bank borrowings was around ₹1721 Crore. Besides, during the year, we have received share application money from Shriram Industrial Holdings Ltd aggregating to ₹150 Crore towards preferential allotment of equity shares which have subsequently been allotted in April 2013. These funds enabled us to bridge the gap in project funding for the 300 MW wind project as well as to reduce debt.

OUTLOOK

We are confident about the prospects of our business going forward as some of the strategies which we have been working on will help us to address most of the problems which have been affecting the smooth functioning of our business. In addition we are also optimistic about achieving our capacity expansion target for the next year which should result in us having a total installed capacity of almost 600 MW.

The new capacities will also lead to an increase in the proportion of new assets to the total wind portfolio. Newer assets will help us deliver higher PLF's given their ability to harness wind power at lower wind speeds. Further since most of the new planned capacities will be available for majority of the wind season next year, it would lead to better performance for our wind business vertical.

We have also put in place certain plans aimed at improving the performance of the biomass business which has been facing headwinds in the form of lack of adequate feed stock supplies coupled with high prices of the same. To counter the same, we have started Energy plantation on our wind farm lands located in Tamil Nadu. Of the total 1,100 acres land, 100-150 acres is available for energy plantation. Apart from this, we are also working with local farmers in the neighboring area of our biomass project to do contract farming on our surplus land. During the year we signed up for contract farming on 120 acres of land in Tamil Nadu, the benefit of which will accrue in the near future. We plan to ultimately scale up the contract farming to around 1,000 acres for plants in Tamil Nadu which should help us lower our fuel cost meaningfully.

We are also working towards lowering our finance costs which has been dragging our profitability downwards. In an attempt to mitigate the same, we have undertaken initiatives towards refinancing of some of our high cost existing loans and have also tied up ECB at favorable interest rates. We are confident that the recent moves will make significant contribution to our business going forward.

A larger proportion of our capacity will be REC approved and we expect to generate a significantly higher amount of RECs this year and also expect the REC market to demonstrate greater solidity with improvement in realized prices through better compliance mechanism being enforced by the regulatory agencies.

The Government has also been taking steps to revive the sector and the recent reinstatement of Generation based Incentive (GBI) should help revive investment sentiment in the wind segment which has witnessed slower pace of capacity installed this year. In addition the frequent hiking of tariff rates by SEB's as they strive to bridge the gap between power procurement cost and tariff augurs well for our business.

Risks and Concerns

Industry Risks

The company is subject to common risk factors typically associated with an industry which includes risk associated with increased competition, uncertain regulatory environment and liquidity risk. The company tries to mitigate these risks by adopting prudent risk management practices and by following conservative financial policies. In addition, especially the wind business is exposed to the vagaries of nature and to that extent can be classified as cyclical in nature.

Fuel Prices and availability

The company's biomass business is subject to the risk of inconsistent supply of raw material especially during the monsoon season. Intermittent supply of raw materials brings with it the risk of price volatility, which in turn exposes the company to risk associated with rising prices of inputs as well. To soften the burden associated with these risk the company is undertaking steps to broaden its fuel mix base thereby ensuring steady supply throughout the year at stable prices.

Foreign Exchange Management

The financial year continued to witness volatility in foreign exchange. While the business is primarily domestic led, the company may be exposed to foreign exchange risks on account of borrowings in foreign currency in the coming year. We continue to monitor the market closely and hedge our exchange risk by undertaking necessary but simple forward covers on a case to case basis to minimise our risk.

Regulatory environment risk

The company functions in an area which is significantly influenced by regulatory policies as well as pricing. Adverse changes in the policies could result in adversely impacting the company's operational and financial results. In addition, the company has risks arising from delays in project execution and delivery of products and services and these could arise due to external factors like lack of infrastructure and non availability of finance and resources at reasonable costs.

Human Resources

We recognize that Human resources are one of the most important assets a company possesses, and hence OGPL undertakes a number of activities directed towards encouraging employee participation and building their Knowledge. A good pool of human resources is the biggest competitive advantage. We also try and create an environment which provides equal opportunity for all.

Internal Controls

The Company and its management have taken adequate measures to ensure that the internal control systems match the size of the company. Adequate level of control warrants that its assets and interest are protected carefully. Well documented processes have been implemented throughout the organization to ensure that policies are promoted and adhered to. OGPL also proposes maintaining proper clarity with regard to roles and responsibilities at various level in the organization. The internal Control system aims to make sure that the business operations function efficiently, applicable laws, rules, regulations and policies of the Company are followed and there is reliability of financial reporting. The Enterprise Wide Resource Planning (ERP) has further been rolled out to more units and locations thereby strengthening the internal control and reporting mechanism. It plans to cover the entire business under ERP environment in the year 2013-14.

Management's Responsibility Statement

The management is accountable for preparing the company's consolidated financial statements and related information that appears in this annual report. It believes that these financial statements fairly reflect the form and substance of transactions and reasonably represents the company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

Safe Harbour

Some of the statements in this Annual Report that are not historical facts are forward looking statements. These forward looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly – competitive market for the types of services that we offer, market conditions that could cause our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market fluctuations in India and elsewhere around the world and other risks not specifically mentioned herein but those that are common to industry.

Corporate Governance Guidelines

Corporate Governance refers to the manner, in which a Company is directed, and laws and customs affecting that direction. It includes the manner in which a Company operates under the laws governing Companies, the bylaws established by the Company itself, and the structure of the Company. The Corporate Governance structure specifies the relationship, and the distribution of rights and responsibilities, among primarily three groups of participants, namely the Board of Directors, Managers, and Shareholders. This system spells out the rules and procedures for making decisions on corporate objective are set, as well as the means of attaining and monitoring the performance of those objectives.

The fundamental concern of Corporate Governance is to ensure the conditions whereby a Company's Directors and Managers act in the interests of the Company and its various Stakeholders.

Our Company's Corporate Governance philosophy is based on the following principles

- To comply with various Regulations
- To communicate externally, in a truthful manner
- To be transparent and maintain a high degree of disclosure levels

The Board supervises the functioning of the management and protects the long-term interests of all stakeholders of the Company. The majority of our Board comprises of independent Directors. We have Audit Committee, Remuneration & Compensation Committee, Share Transfer & Investors Grievance Committee and Investment/Borrowing Committee.

Board of Directors

Size and composition of the Board

The Board consists of 11 members, 2 of whom are Executive Directors and others are Non-Executive Directors.

Six meetings of the Board of Directors were held during the year ended 31st March 2013 – on 26th May 2012, 29th May 2012, 13th August 2012, 08th November 2012, 13th February 2013 and 22nd February 2013.

The composition of our Board and the number of other directorships held by each of the Directors are given in the table below.

Name of Director	Position	Relationship with other directors	Directorships held as on March 31, 2013	Member in Committees - Position held
Mr. N. Rangachary	Chairman	None	10	3-Audit Committees, Chairman 1- Remuneration Committee, Chairman 1- Disciplinary Committee, Chairman
Mr. T. Shivaraman	Vice Chairman	None	9	1- Audit Committee, Member 1- Remuneration Committee, Member 1- Borrowing Committee, Member
Mr. P. Krishnakumar	Managing Director	None	17	5- Audit Committees, Member
Mr. Frederick J. Long	Non - Independent Director	None	31	-
Mr. S Srinivasan	Non - Independent	None	6	1- Investment Committee, Member 1- Borrowing Committee, Member
Mr. R. Sundararajan	Independent Director	None	14	6- Audit Committees -1 Chairman -5 Member 2 -Share Transfer and Investor Grievance Committees - Member
Mr. S Venkat Ram	Independent Director	None	1	1- Audit Committee, Member
Maj. Gen. A.L. Suri (Retired)	Independent Director	None	3	-
Mr. R. Ganapathi	Independent Director	None	9	3- Audit Committees -Member 3- Remuneration Committees -Member 3-Share Transfer and Investor Grievance Committees - Member
Mr. P. Abraham	Independent Director	None	11	4- Audit Committees - Member 3-Remuneration Committees - Member
Mr. Vishal Vijay Gupta	Non - Independent Director	None	10	1- Investment Committee - Member 1- Remuneration Committee-Member

* excluding directorship in Orient Green Power Company Limited

None of the Directors on the Board is a Member on more than 10 mandatory Committees and Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement), across all companies in which he is a Director.

The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in the amended Clause 49 of the Listing Agreements.

MEMBERSHIP TERM

The Board periodically recommends the Shareholders about re-appointments as per statue and the provisions of the Companies Act, 1956 requires the retirement of one third of the Board Members (who are liable to retire by rotation) to retire at every Annual General Meeting and eligible for re-appointment.

COMPENSATION POLICY

The Remuneration Committee determines and recommends to the Board, the compensation payable to the Executive Directors. All Board-level compensation is approved by the Shareholders, and separately disclosed in the financial statements.

COMMITTEES OF THE BOARD

The Board has four committees, the Audit Committee, the Remuneration and Compensation Committee, the Share Transfer & Investor Grievance Committee, the Investment/Borrowing Committee.

The Board is responsible for constituting, reconstituting, appointing Committee Members and also defining its Charters.

The Chairman of the Committee or Members in consultation with the Company Secretary, determine the frequency and duration of the Committee Meetings. Normally, the Audit Committee and the Share Transfer & Investor Grievance Committee meets minimum of four times a year and the remaining committee meets as and when the need arises and proceedings of all the committees are ratified by the Board.

The quorum for all the committee meetings is either two members or one-third of the members of the committee, whichever is higher.

1. AUDIT COMMITTEE

Our Audit Committee comprises four Independent Directors.

1. Mr. N. Rangachary – Chairman
2. Mr. R. Sundararajan – Member
3. Mr. R. Ganapathi – Member
4. Mr. S. Venkat Ram – Member

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the Audit Committee whichever is higher.

At the meeting held on 27th March 2010 the Board, adopted a charter for the Audit Committee which meets the requirements of Clause 49 of the Listing Agreement stipulated by the Stock Exchanges. Brief Charter is given below:

1. Powers of the Audit Committee.

1. To investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956 or in the reference made to it by the Board and for this purpose the Committee shall have full access to information contained in the records of the Company.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.

To secure the attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Committee

- Oversight of company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the removal of the statutory auditor, fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  a. Matters required to be included in the Director's Responsibility Statement to be included in the

Board's Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by Management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications in the draft Audit Report.

- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
- Discussion with Internal Auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The recommendations of the Audit Committee on financial management including the Audit Report shall be binding on the Board. In case the Board does not accept the recommendations of the committee it shall record the reasons therefore and communicate such reasons to the Shareholders.

AUDIT COMMITTEE ATTENDANCE DURING THE FINANCIAL YEAR

Six Audit Committee meetings were held during the year. These were held on 26th May 2012, 29th May 2012, 13th August 2012, 30th September 2012, 08th November 2012, 13th February 2013

Members	No. of Meetings Attended
Mr. N. Rangachary – Chairman	6
Mr. R. Sundararajan – Member	5
Mr. R. Ganapathi – Member	6
Mr. S. Venkat Ram – Member	5

2. SHARE TRANSFER & INVESTORS' GRIEVANCE COMMITTEE:

The Share Transfer & Investors' Grievance Committee comprises four Independent Directors.

1. Mr. R. Sundararajan – Chairman
2. Mr. S. Venkat Ram – Member
3. Mr. R. Ganapathi – Member
4. Mr. S. Srinivasan– Member*

* Inducted as a member with effect from 08.11.2012

Mr. R. Sridharan, Company Secretary & Compliance Officer resigned w.e.f. 13th Feb, 2013.

The Company has appointed Mr. T. Sivakumar, as the Company Secretary & Compliance Officer resigned w.e.f. 13th Feb, 2013.

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

Investor Grievance Committee Charter:

The quorum for meeting of the Share Transfer and Investor's Grievance Committee shall be two members, provided at least one Non-Executive Director shall be present.

1. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non-receipt of Balance Sheet etc.
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Role of the Committee

Investors Grievance Committee was constituted at the Board Meeting held on 27th March 2010. The Committee looks into the letters / complaints received from the shareholders / investors / stock exchanges / SEBI and then review the same with the Registrar. These letters / complaints are replied immediately / redressed to the satisfaction of the shareholders. The committee reviews periodically the action taken by the company and the Share Transfer Agents in this regard. The pendency report if any, and the time taken to redress the complaints are also reviewed by the Committee.

SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE ATTENDANCE DURING THE FINANCIAL YEAR

Five Share Transfer and Investors' Grievance Committee meetings were held during the year. These were held on 26th May 2012, 13th August 2012, 08th November 2012, 18th December 2012 and 13th February 2013.

Members	No. of Meetings Attended
Mr. R. Sundararajan–Chairman	4
Mr. S. Venkat Ram–Member	5
Mr. R. Ganapathi–Member	5
Mr. S. Srinivasan–Member	2

3. REMUNERATION AND COMPENSATION COMMITTEE

Our Remuneration & Compensation Committee comprises three independent directors.

1. Mr. R. Sundararajan – Chairman
2. Mr. S. Venkat Ram – Member
3. Mr. R. Ganapathi – Member

The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

During the year no Remuneration & Compensation Committee meeting was held

Powers

- To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
- Fixed and performance linked incentives along with the performance criteria;
- Increments and Promotions;
- Service Contracts, notice period, severance fees; and
- Ex-gratia payments.

4. INVESTMENT/BORROWING COMMITTEE

The Investment/Borrowing Committee comprises one independent and three Non - independent directors.

1. Mr. R. Ganapathi - Chairman
2. Mr. P. Krishnakumar - Member
3. Mr. T. Shivaraman - Member
4. Mr. S. Srinivasan - Member

Quorum: The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR ENDED 31st MARCH 2013

(1) EXECUTIVE DIRECTORS (₹ in Lakhs)

Name & Position	Salary
Mr. T Shivaraman - Vice Chairman	12.00
Mr. P Krishnakumar - Managing Director	75.00
Total	87.00

The two Executive Directors are paid remuneration as approved by the Board of Directors and the Shareholders and on the recommendation of the Remuneration and Compensation Committee of the Board .

(2) NON-EXECUTIVE DIRECTORS

Remuneration by way of Sitting Fees is paid to all Non-executive Directors at ₹15,000/- for attending each Meeting of the Board and Rs.10,000/- for attending each Committee Meeting.

Particulars of Sitting Fees including for attending the Board /Committee Meeting paid to Non-Executive Directors during the financial year 2012-13 are as follows:-

Name	Sitting fees paid for Board and Committee meetings (₹)	
	Board	Committee
Mr. N. Rangachary	90,000	60,000
Mr. Vishal Vijay Gupta	75,000	-
Mr. R. Sundararajan	75,000	90,000
Mr. S Venkat Ram	90,000	1,00,000
Maj. Gen. A.L. Suri (Retired)	75,000	-
Mr. R. Ganapathi	90,000	1,10,000

GENERAL BODY MEETINGS

The location and time where the last three Annual General Meeting held are given below:-

For the year ended 31st March	Venue	Day and Date	Time
2011 - 2012	Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017	Friday 21.09.2012	02.00 P.M
2010 - 2011	Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017	Wednesday 07.09.2011	10.15 A.M
2009 - 2010	No. 5, T.V. Street, Chetpet, Chennai – 600031	Thursday 05.08.2010	4.30 P.M

Details of Special Resolution passed during the last three Annual General Meeting

Date of AGM	Whether any Special Resolution was passed	Particulars
07th September 2011	Yes	• Reappointment of Mr. P. Krishnakumar as Managing Director of the Company for the period of three years from 04th June 2011 to 03rd June 2014 and Increase in Remuneration from ₹51 Lakhs to ₹75 Lakhs. • Alteration of the following Clauses of the Articles of Association of the Company to include Electronic means Video Conference Facility: 1. To enable the Shareholders and Directors of the Company to participate in the General Meetings and Board Meetings of the Company through "Video Conference Facility". 2. To enable wider participation, of the shareholders of the Company to participate at all the General Meetings of the Company through Video Conference Facility 3. To enable Directors of the Company to participate in the Board meeting through Video Conference Facility
05th August 2010	Yes	• Under Section 372 A of the Companies Act, 1956, issuance of Corporate Guarantee favouring Tata Capital on behalf of S.M. Environmental Technologies Private Limited for ₹32.00 Crore • Under Section 372 A of the Companies Act, 1956, for investing in OGP (Europe) BV, Netherland not exceeding ₹6.00 Crore • Alteration of Articles of Association of the Company for increase in Authorised Share Capital from ₹375 Crore to ₹600 Crore • Application to Central Government for waiver of excess managerial remuneration of ₹1,20,000 paid over and above ₹48 Lakhs Per Annum paid to Mr. P. Krishnakumar, Managing Director

Postal Ballot during current year (FY 2012-13) :

(A) The details of Special resolutions passed through postal ballot are given below:

Sl. No.	Subject matter of the resolution	Date of the Notice	Date of Shareholder approval.
1.	Special Resolution under Section 372 A of the Companies Act, 1956, seeking ratification of the Shareholders for the Corporate Guarantee approved by the Investment/ Borrowing Committee of the Board of Directors in favour of M/s Axis Bank Limited, the Security Trustee for an amount of ₹502.00 Crore towards Phase-I Revised Rupee Loan, ₹483.00 Crore towards Phase-II Revised Rupee Loan, USD 40.00 Million (equivalent to ₹224.00 Crore) towards Phase-I External Commercial Borrowings (ECB) Loan and USD 10.00 Million (equivalent to ₹56.00 Crore) towards Phase-II External Commercial Borrowings (ECB) Loan on behalf of Beta Wind Farm Private Limited.	13.08.2012	19.09.2012
2	Special Resolution under Section 372 A of the Companies Act, 1956, seeking ratification of the Shareholders for the Corporate Guarantee approved by the Investment/ Borrowing Committee of the Board of Directors in favour of Punjab National Bank for an enhancement of Cash Credit limit from ₹5.40 Crore to ₹12.00 Crore on behalf of M/s. Sanjog Sugars & Eco Power Private Limited.	13.08.2012	19.09.2012

(B) Details of Voting Pattern of the Postal Ballot were as follows:

Sl. No.1

Particulars	No.of Postal Ballots forms	Total No.of Votes	% of the Total Votes
Total Postal Ballot forms received	852	29,61,17,012	-
Less: Invalid Postal Ballot forms (as per Register)	21	12,705	-
Net valid Postal Ballot forms/No. of Votes (as per Register)	831	29,61,04,307	100%-
Postal Ballot forms/No. of votes with assent to the Resolution	747	29,60,29,599	99.97%
Postal Ballot forms/No. of votes with dissent to the Resolution	84	74,708	0.03%

The special resolution was carried with requisite majority.

Sl. No.2

Particulars	No.of Postal Ballots forms	Total No.of Votes	% of the Total Votes
Total Postal Ballot forms received	852	29,61,15,562	-
Less: Invalid Postal Ballot forms (as per Register)	43	4,29,852	-
Net valid Postal Ballot forms/No. of Votes (as per Register)	809	29,56,85,737	100%
Postal Ballot forms/No. of votes with assent to the Resolution	732	29,56,20,779	99.97%
Postal Ballot forms/No. of votes with dissent to the Resolution	77	64,958	0.03%

The special resolution was carried with requisite majority.

Postal Ballot during current year (FY 2012-13) :

(A) The details of Special resolutions passed through Postal Ballot are given below:

Sl. No.	Subject matter of the resolution	Date of the Notice	Date of Shareholder approval.
1.	Special Resolution under Section 81 (1A) of the Companies Act, 1956 and in accordance with the Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations), for creation issue and allotment of 10,00,00,000 equity shares on a preferential basis to Shriram Industrial Holdings Private Limited.	22.02.2013	26.03.2013
2	Special Resolution under Section 61 of the Companies Act, 1956 for variation to the terms of contract for change in the utilisation of the Intial Public Offering (IPO) Proceeds as stated in the Red Herring Prospectus dated 13 September 2010 (including an addendum thereto dated 18 September 2010) (the RHP) and the prospectus dated 29 September 2010 (the Prospectus).	22.02.2013	26.03.2013

(B) Details of Voting Pattern of the Postal Ballot were as follows:

Sl. No.1

Particulars	No.of Postal Ballots forms	Total No.of Votes	% of the Total Votes
Total Postal Ballot forms received	737	306,619,785	-
Less:Invalid Postal Ballot forms (as per Register)	30	35,930	-
Net valid Postal Ballot forms/No. of Votes (as per Register)	707	306,583,855	-
Postal Ballot forms/No. of votes with assent to the Resolution	654	306,536,248	99.98%
Postal Ballot forms/No. of votes with dissent to the Resolution	53	47,607	0.02%

The special resolution was carried with requisite majority.

Sl. No.2

Particulars	No.of Postal Ballots forms	Total No.of Votes	% of the Total Votes
Total Postal Ballot forms received	737	306,619,785	-
Less: Invalid Postal Ballot forms (as per Register)	30	35,930	-
Net valid Postal Ballot forms/No. of Votes (as per Register)	707	306,583,855	-
Postal Ballot forms/No. of votes with assent to the Resolution	654	306,547,660	99.98%
Postal Ballot forms/No. of votes with dissent to the Resolution	53	36,195	0.02%

The special resolution was carried with requisite majority.

Person who conducted the Postal Ballot Exercise (Scrutinizer)

Mrs. B Chandra, a Practicing Company Secretary, A2 Happy Home Apartment, No 9, 4th Main Road, United India Colony, Kodambakkam, Chennai 600024 was appointed as scrutinizer for conducting all the above Postal Ballot process.

Procedure adopted for Postal Ballot

1. Postal Ballot forms along with prepaid business reply envelope posted to all members whose name(s) appeared on the Register of Members/list of beneficiaries on a cut off date .
2. Particulars of all the postal ballot forms received from the members have been entered in a register separately maintained for the purpose.
3. The postal ballot forms were kept under the safe custody of Scrutinizer in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
4. The ballot boxes were opened in the presence of Scrutinizer and confirmed the share holding with the Register of Members of the Company / list of beneficiaries.
5. After the scrutiny, all the postal ballot forms and other related papers/ registers and records for safe custody were returned to Company Secretary of the Company, who was authorized by the board to supervise the postal ballot process.

Code of Conduct

The Board has laid down "Orient Green Power Company Limited Code of Conduct" (Code) for all the Board members and the Senior Management of the Company, and the Code is posted on the website of the Company www.orientgreenpower.com. Annual declaration regarding compliance with the Code is being obtained from every Senior Management personnel covered by this Code of Conduct. A declaration to this effect signed by the Managing Director is forming part of the Corporate Governance Report.

Whistle Blower Policy

Our Company establishes a mechanism for employees to report to the management concerns about violation of the Company's Code of Conduct or ethics policy. Audit Committee reviews periodically the functioning of Whistle Blower Policy.

Other Disclosures

A Management Discussion and Analysis report highlighting individual businesses has been included in the Annual Report.

There were no materially significant related party transactions, with Directors/Promoters/Management which had potential conflict with the interests of the Company at large.

Periodical disclosures from Senior Management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had a potential conflict with the interest of the Company at large will be reviewed by the Audit Committee and the Board.

Transactions with the related parties are disclosed in Note 33 to the Standalone Financial Statements forming part of the Annual Report.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Audit Committee/the Board periodically discusses the significant business risks identified by the management and the mitigation process being taken up. A note on risk identification and mitigation is included in the Management Discussion and Analysis, annexed to the Directors' Report.

Subsidiary Companies

The Company has two material non listed Indian Subsidiary Company. The Audit Committee reviews the financial statements and in particular, the investments made in unlisted subsidiary Companies. As required under Clause 49 (III) of the Listing Agreement, the minutes of the Board meetings as well as statements of all significant transactions of the material non listed Indian subsidiary companies are placed before the Board of Directors of the Company for their review.

Compliance with Corporate Governance Norms

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended 31st March 2013. The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the Stock Exchanges. The said certificate is annexed to the Directors' Report.

At the Fifth Annual General Meeting of the Company held on 21st September 2012 due to the serious illness and hospitalisation of his wife, Mr. N. Rangachary, Chairman of the Audit Committee could not be present as per the communication received by the company on 20th September 2012.

As per the regulations contained in the Articles of Association of the company and duly proposed by Mr. R. Ganapathi and seconded by Mr. R Sundararajan, Mr. T. Shivaraman, Vice Chairman of the Company, occupied the Chair and answered the Shareholders queries along with Mr. P. Krishnakumar, Managing Director of the Company.

The Ministry of Corporate Affairs, Government of India, has issued in December 2009 `Corporate Governance Voluntary Guidelines, 2009'. While the Board welcomes the issue of these guidelines intended for better governance of corporates, introduction of the recommended measures will be considered carefully at the appropriate time.

Means of Communication

The quarterly consolidated financial results were published within 48 hours of the conclusion of the Board Meeting for that quarter ie. the result were published as follows:

1. 15th August 2012 for the First quarter ended 30th June 2012
2. 10th November 2012 for the Second quarter ended 30th September 2012
3. 07th February 2013 for the Third quarter ended 31st December 2012
4. 01st July 2013 for the year ended 31st March 2013

The Quarterly results are published in the following Newspapers.

1. Business Line (English)
2. Makkal Kural (Tamil)

The Financial Results both Standalone and Consolidated are displayed on www.orientgreenpower.com

Besides the financial information, the following are posted on the Company's website:

- Periodical press releases
- Presentations to investors/analysts

CEO/CFO Certification

The Managing Director and Chief Executive Officer (MD & CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 (V) of the Listing Agreement Pertaining to CEO/CFO certification for the financial year ended March 31, 2013.

Management Discussion and Analysis

A Management Discussion and Analysis forms part of the Directors Report.

For and on behalf of the Board

Date : 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building,
18/3 Rukmini Lakshmipathi Road, Egmore, Chennai-600008.

P. Krishnakumar
Managing Director

R Ganapathi
Director

General Shareholder Information

REGISTERED OFFICE

Sigappi Achi Building, 4th Floor, 18/3 Rukmini Lakshmipathi Road, Egmore, Chennai 600008.

ANNUAL GENERAL MEETING

Day	Monday
Date	12th August 2013
Time	03.00 PM
Venue	Mini Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017

TENTATIVE FINANCIAL CALENDAR

Annual General Meeting	
Financial reporting for the 01st Quarter ending 30th June 2013	On or before 14th August 2013
Financial reporting for the 02nd Quarter ending 30th September 2013	On or before 14th November 2013
Financial reporting for the 03rd Quarter ending 31st December 2013	On or before 14th February 2014
Financial reporting for the year ending 31st March 2014	On or before May 30th 2014

FINANCIAL YEAR

The Financial year of the Company is 01st April – 31st March.

BOOK CLOSURE

From Thursday, 08th August 2013 to Monday 12th August 2013 (both days inclusive)

LISTING ON STOCK EXCHANGES AND STOCK CODE

Equity Shares

Stock Exchanges	Stock Code
The Bombay Stock Exchange Limited	533263
The National Stock Exchange of India Limited	GREENPOWER

The Company has paid the Annual Listing Fees for the Financial Year 2012 – 2013 to both the Stock Exchanges.

MARKET PRICE DATA

Month	Bombay Stock Exchange Limited (in ₹)		National Stock Exchange of India Limited (in ₹)	
	High	Low	High	Low
APRIL – 2012	14.55	12.52	14.55	12.50
MAY – 2012	14.85	11.15	13.05	11.00
JUNE – 2012	11.75	10.00	11.90	10.25
JULY – 2012	11.79	8.90	11.75	8.85
AUGUST – 2012	11.65	9.10	11.65	9.15
SEPTEMBER – 2012	11.30	9.10	11.25	9.15
OCTOBER – 2012	12.65	9.90	12.60	9.95
NOVEMBER- 2012	12.51	10.00	12.50	9.95
DECEMBER- 2012	12.45	10.46	12.45	10.50
JANUARY – 2013	13.00	10.57	14.05	10.55
FEBRUARY – 2013	15.95	10.29	17.00	10.30
MARCH – 2013	14.87	13.21	17.00	13.25

REGISTRAR AND SHARE TRANSFER AGENT

Members are requested to correspond with the Company's Registrar & Share Transfer Agent

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078, India
Tel: +91 22 2596 3838
Fax: +91 22 2594 6969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Joy Varghese
SEBI Registration Number: INR000004058

SHARE TRANSFER AND INVESTOR SERVICE SYSTEM

A Committee of the Board constituted for the purpose, approves share transfers in the physical form and also in Electronic mode.

SHARE HOLDING PATTERN AS ON 31 MARCH, 2013

Particulars	Shares	Percentage
Promoters	262450150	56.07
Foreign Institutional Investors	23201814	4.96
Mutual Fund	9400152	2.01
Financial Institutions	32682023	6.98
Corporate Bodies	77765604	16.61
Foreign Corporate Bodies	638738	0.14
Non-Resident Indian (Non Repat)	72819	0.02
Non-Resident Indian (Repat)	971876	0.21
Clearing Member	1918039	0.41
Directors and their relatives	391916	0.08
Public	58585118	12.51
TOTAL	468078249	100

DISTRIBUTION OF SHARE HOLDING AS ON 31 MARCH, 2013

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount in ₹	% of Amount
1 - 5000	18069	67.73	3970123	39701230	0.85
5001 - 10000	3751	14.06	3236279	32362790	0.69
10001 - 20000	2533	9.50	4143622	41436220	0.88
20001 - 30000	566	2.12	1491150	14911500	0.31
30001 - 40000	338	1.27	1233540	12335400	0.26
40001 - 50000	352	1.32	1710833	17108330	0.36
50001 - 100000	470	1.76	3686490	36864900	0.79
100001 - And Above	598	2.24	448606212	4486062120	95.86
Total	26677	100.00	468078249	4680782490	100.00

DISTRIBUTION OF HOLDINGS - NSDL & CDSL & PHYSICAL RECORD DATE: 31 MARCH, 2013

SHAREHOLDING SUMMARY AS ON 31 MARCH, 2013

CATEGORY	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	9	252528	0.05
NSDL	17928	170944375	36.52
CDSL	8740	296881346	63.43
TOTAL	26677	468078249	100.00

The Company's Equity Shares are regularly traded on the Bombay Stock Exchange Limited and on the National Stock Exchange of India Limited.

NOMINATION FACILITY

The shareholders may avail of the nomination facility under Section 109A of the Companies Act, 1956. The nomination form (Form 2B), along with instructions, will be provided to the members on request. In case the members wish to avail of this facility, they are requested to write to the Company's Registrar M/s. Link Intime India Private Limited.

DEMATERIALISATION OF SHARES

The shares of the Company are compulsorily traded in dematerialized form. The code number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) to Orient Green Power Company Limited is ISIN INE-999K01014.

DETAILS (IN AGGREGATE) OF SHARES IN THE SUSPENSE ACCOUNT

As directed by Securities Exchange Board of India vide its Circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 on amendment to the Equity Listing Agreement has amended Clause 5A of the Listing Agreement the Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning and at the end of the year and number of shareholders who approached issuer for transfer of shares from suspense account during the year and number of shareholders to whom shares were transferred from suspense account during the year are tabled below:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning and at the end of the year

Aggregate number of shareholders at the beginning	Aggregate number of shareholders at the end	Outstanding shares in the suspense account lying at the beginning	Outstanding shares in the suspense account lying at the end
3	3	2250	2250

ADDRESS FOR INVESTOR CORRESPONDENCE

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, or any other query relating to shares, please write to:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078,
India
Tel: +91 22 2596 3838
Fax: +91 22 2594 6969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Mr. T. Sivakumar
Company Secretary and Compliance Officer
Orient Green Power Company Limited,
4th Floor, Sigappi Achi Building,
18/3 Rukmini Lakshmipathi Road, Egmore,
Chennai 600008
India
Tel: + 91 44 4901 5678
Fax: +91 44 4901 5655
Email: complianceofficer@orientgreenpower.com
Website:www.orientgreenpower.com

ONLINE INFORMATION

Shareholders are requested to visit www.orientgreenpower.com, the website of the Company for online information about the Company. The financial results, share price information, dividend announcements of the Company if any are posted on the website of the Company and are periodically updated with all developments. Besides this the shareholders have the facility to write any query at the e-mail ID of the Compliance officer at complianceofficer@orientgreenpower.com and the Company shall act on the same within the reasonable time on receipt of such query .

For and on behalf of the Board.

P. Krishnakumar, Managing Director
R Ganapathi, Director

Date : 30th May, 2013
Place:
Registered Office:
4th Floor, Sigappi Achi Building, 18/3,
Rukmini Lakshmipathi Road, Egmore, Chennai - 600008.

DECLARATION ON CODE OF CONDUCT

I, P Krishnakumar, Managing Director of Orient Green Power Company Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 (I) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

For Orient Green Power Company Limited

Date: 30th May, 2013 | P. Krishnakumar
Place: Chennai | Managing Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

TO THE MEMBERS OF ORIENT GREEN POWER COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by Orient Green Power Company Limited, for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)
Sriraman Parthasarathy
Partner
(Membership No.206834)

Date: 30th May, 2013
Place: Chennai

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF Orient Green Power Company Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's 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 Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. 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 mis-statement, whether due to fraud or error.

Auditors' Responsibility

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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2013;

(b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and

(C) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

The Company has made investments aggregating to ₹712,517,918 in four Indian subsidiary companies and has also provided loans aggregating to ₹1,060,911,822 as at 31 March 2013 to these subsidiaries, whose net worth has been fully / substantially eroded as at 31 March 2013, as per the audited financial statements of these entities.

As stated in Note 13(i) of the financial statements, the Company has carried out an evaluation of the nature of the diminution in the value of the investments in these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of these investments, the nature of the industry, gestation period, etc. the diminution in the value of the investments is not considered as other than temporary in nature. Further, the loans are also considered as good for recovery.

Our opinion is not qualified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

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

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)

Sriraman Parthasarathy
Partner
(Membership No. 206834)

Place: Chennai
Date: 30th May, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) Having regard to the nature of the Company's business/activities/results during the year, clauses 4(xii), 4(xiii), 4(xiv), 4(xviii) and 4(xix) of the Order are not applicable to the Company.

(ii) In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.

(iii) In respect of its inventories:

a. As explained to us, the inventories were physically verified by the Management at reasonable intervals duly considering the technical assessment of the accredited surveyor.

b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.

c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

(v) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of Power. During the course of our audit, we have not observed any major weakness in such internal control system.

(vi) According to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the Register maintained in pursuance of Section 301 of the Companies, Act, 1956.

(vii) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.

(viii) In our opinion, the internal audit functions carried out during the year by the Internal Audit Department of the Company have been commensurate with the size of the Company and the nature of its business.

(ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Cost Accounting Records (Electricity Industry) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(x) According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income Tax, Employees' State Insurance, Wealth Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities except for some delays in remittances of Income Tax deducted at source, Professional Tax, and Service Tax during the year.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Service Tax, Wealth tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 March 2013 for a period of more than six months from the date they became payable except for Income Tax deducted at source amounting to ₹346,364 and Professional Tax amounting to ₹181,577. The entire amount of Income Tax deducted at source and ₹53,678 of Professional Tax have been subsequently remitted by the Company.

c. Details of dues of Income-tax and Electricity Tax which have not been deposited as on 31 March 2013 on account of disputes are given below:

Statute	Nature of Dues	Forum where the Dispute is pending	Period to which the amount relates (Financial year)	Amount involved (₹)
Income Tax Act, 961	Income Tax	The Commissioner of Income tax, Appeals	2008-09	138,740
			2009-10	26,062,510
Tamil Nadu Tax on Consumption & Sale of Electricity Act, 2003	Electricity Tax	Honourable Supreme Court of India	2012-13	16,643,820

(xi) The accumulated losses of the Company at the end of the financial year are not more than fifty percent of its net worth. The Company has incurred cash losses during the current financial year covered by our audit and in the immediately preceding financial year.

(xii) In our opinion and according to the information and explanations given to us, *the Company has not been regular in repayment of dues to banks and there have been defaults amounting to ₹195,710,240 in respect of principle and interest repayments as at 31 March 2013. Also Refer Note 11.2 of the financial statements*. The Company has not borrowed from financial institutions and has not issued any debentures during the current year.

(xiii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks are not, prima facie, prejudicial to the interests of the Company.

(xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.

(xv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.

(xvi) The Management has disclosed the end use of money raised by public issues in the notes to the financial statements and we have verified the same.

(xvii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)

Sriraman Parthasarathy
Partner
(Membership No. 206834)

Place: Chennai
Date: 30th May, 2013

Balance Sheet as at 31 March, 2013

Amount in ₹

	Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	4,680,782,490	4,680,782,490
	(b) Reserves and surplus	4	6,439,058,300	6,598,861,895
			11,119,840,790	11,279,644,385
2	Share Application Money Pending Allotment	29	1,500,000,000	-
3	Non-current liabilities			
	(a) Long-term borrowings	5	2,629,195,081	1,519,019,368
	(b) Deferred tax liabilities (net)	6	-	-
	(c) Other long-term liabilities	7	2,087,095	24,165,364
	(d) Long-term provisions	8	9,100,197	5,815,330
			2,640,382,373	1,549,000,062
4	Current liabilities			
	(a) Short-term borrowings	9	321,300,018	509,379,056
	(b) Trade payables	10	24,314,624	52,057,986
	(c) Other current liabilities	11	806,984,952	2,242,258,117
	(d) Short-term provisions	31.3	3,052,352	-
			1,155,651,946	2,803,695,159
	TOTAL		16,415,875,109	15,632,339,606
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	12		
	(i) Tangible assets		620,660,045	647,626,433
	(ii) Intangible assets		3,041,871	28,223,151
	(iii) Capital work-in-progress		2,044,924,737	1,899,983,135
			2,668,626,653	2,575,832,719
	(b) Non-current investments	13	2,963,562,965	2,696,425,234
	(c) Long-term loans and advances	14	10,445,025,490	9,161,758,482
			13,408,588,455	11,858,183,716
2	Current assets			
	(a) Current investments	15	-	11
	(b) Inventories	16	22,760,833	33,764,420
	(c) Trade receivables	17	13,667,412	84,491,550
	(d) Cash and cash equivalents	18	238,047,316	693,762,085
	(e) Short-term loans and advances	19	27,878,477	384,559,491
	(f) Other current assets	20	36,305,963	1,745,614
			338,660,001	1,198,323,171
	TOTAL		16,415,875,109	15,632,339,606
	See accompanying notes forming part of the financial statements	1&2		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sriraman Parthasarathy
Partner

T. Shivaraman
Vice Chairman

P. Krishnakumar
Managing Director

Place : Chennai
Date : 30th May, 2013

J. Sivakumar
Chief Financial Officer

T. Sivakumar
Company Secretary

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

Amount in ₹

	Particulars	Note No.	For the Year ended 31 March, 2013	For the Year ended 31 March, 2012
1	Revenue from operations	21	438,809,132	78,154,650
2	Other income	22	171,372,903	226,664,729
3	Total revenue (1+2)		610,182,035	304,819,379
4	Expenses			
	(a) Cost of materials consumed	23	259,848,370	90,262,785
	(b) Employee benefits expense	24	108,352,730	86,554,190
	(c) Finance costs	25	179,190,537	53,433,318
	(d) Depreciation and amortisation expense	12	38,087,096	25,134,430
	(e) Other expenses	26	222,015,991	103,194,075
	Total expenses		807,494,724	358,578,798
5	(Loss) before tax and exceptional items (3 - 4)		(197,312,689)	(53,759,419)
6	Exceptional items	15	(28,659,094)	-
7	(Loss) before tax (5 - 6)		(168,653,595)	(53,759,419)
8	Tax expense:			
	- Current tax expense		-	-
	- Deferred tax	6	-	-
9	(Loss) after tax for the year (7-8)		(168,653,595)	(53,759,419)
10	Earnings per share of ₹10/- each (Refer Note 35)			
	(a) Basic		(0.36)	(0.11)
	(b) Diluted		(0.36)	(0.11)
	See accompanying notes forming part of the financial statements	1&2		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sriraman Parthasarathy
Partner

T. Shivaraman
Vice Chairman

P. Krishnakumar
Managing Director

Place : Chennai
Date : 30th May, 2013

J. Sivakumar
Chief Financial Officer

T. Sivakumar
Company Secretary

Cash Flow Statement for the year ended 31 March, 2013

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
A. Cash flow from operating activities		
(Loss) before tax	(168,653,595)	(53,759,419)
Adjustments for:		
Depreciation and amortisation expense	38,087,096	25,134,430
Loss on sale of fixed assets	-	109,520
Loans and advances written off	7,803,627	976,497
Amounts written off on abandonment of projects (Refer Note 26(iii))	29,756,492	-
Finance costs	179,190,537	53,433,318
Interest income	(161,070,165)	(178,074,464)
Unrealised Gain on Foreign Exchange (Net)	(80,847)	-
Net gain on sale of current investments	-	(47,874,795)
Exceptional Items	(28,659,094)	-
Operating (loss) before working capital/other changes	(103,625,949)	(200,054,913)
Changes in working capital/others:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	11,003,587	(14,911,928)
Trade receivables	70,824,138	(84,491,550)
Short-term loans and advances	(18,805,379)	(342,679,479)
Long-term loans and advances	13,012,262	(267,309,097)
Other Current assets	(34,560,349)	(1,745,614)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(27,743,362)	(14,345,774)
Other current liabilities	(1,689,981,549)	1,648,239,068
Other long-term liabilities	2,087,095	-
Long-term provisions	3,284,867	2,528,747
Short-term provisions	3,052,352	-
Cash (used in) operations	(1,771,452,287)	725,229,460
Net income tax (paid)	(16,213,244)	(30,661,929)
Net cash flow (used in) / from operating activities (A)	(1,787,665,531)	694,567,531
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital work in progress and interest capitalised	(44,978,528)	(487,216,297)
Proceeds from sale of fixed assets/refund received of capital advances made	53,871,993	539,500
Bank balances not considered as Cash and cash equivalents	351,763,083	(574,953,145)
Purchase of long-term investments		
- Subsidiaries	(313,537,831)	(223,118,433)
Proceeds from sale of investments in subsidiaries	450,545,598	-
Proceeds from sale of other current investments	-	1,881,730,284

Cash Flow Statement for the year ended 31 March, 2013

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Loans given to subsidiaries (Net)	(340,154,014)	(805,456,106)
Advance subscription towards Equity Shares in subsidiaries	(1,185,509,152)	(2,264,708,297)
Interest received		
- Subsidiaries	119,056,432	68,437,665
- Bank deposits	42,013,733	130,718,719
Net cash flow (used in) investing activities (B)	(866,928,686)	(2,274,026,110)
C. Cash flow from financing activities		
Share application money received on preferential allotment (Refer Note 29)	1,500,000,000	-
Repayment of long-term borrowings (Net)	(43,403,772)	(9,114,792)
Proceeds of long term borrowings from others	1,439,045,082	-
Net Proceeds of short term borrowings from related parties	283,287,865	-
(Repayment) / Proceeds of other short-term borrowings	(471,366,903)	509,379,056
Finance cost	(156,857,034)	(53,433,318)
Net cash flow from financing activities (C)	2,550,705,238	446,830,946
Net decrease in Cash and cash equivalents (A+B+C)	(103,888,979)	(1,132,627,633)
Cash and cash equivalents at the beginning of the year	118,808,940	1,251,436,573
Cash and cash equivalents at the end of the year	14,919,961	118,808,940
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note18)	238,047,316	693,762,085
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	223,190,062	574,953,145
Add: Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	62,707	-
Cash and cash equivalents at the end of the year	14,919,961	118,808,940

Note:

Capital expenditure includes adjustments for current liabilities relating to acquisition of fixed assets to the extent identified.

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sriraman Parthasarathy Partner	T. Shivaraman Vice Chairman	P. Krishnakumar Managing Director
Place : Chennai Date : 30th May, 2013	J. Sivakumar Chief Financial Officer	T. Sivakumar Company Secretary

Notes forming part of the financial statements for the year ended 31 March, 2013

1 Corporate information

Orient Green Power Company Limited (OGPCL) was incorporated to carry on the business of investment, ownership and operation in renewable energy areas like biomass power, mini hydel, wind power, biogas power and biofuels.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Raw materials and stores and spares are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all direct cost incurred in bringing such inventories to their present location and condition.

Due allowance is made to the carrying amount of inventory based on Management's assessment/technical evaluation and past experience of the Company duly taking into account its age, usability, obsolescence, expected realisable value etc.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciation on fixed assets is provided pro-rata for the periods of use on the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of certain assets mentioned below which are provided for at the rates based on the estimated useful lives of the assets, as determined by the Management.

- Mobile phones - over a period of 2 years
- Leasehold improvements - over the lease period or 5 years, whichever is lower.

Intangible assets comprising of Software is amortised over 5 years.

Individual assets costing less than ₹5,000/- each have been depreciated in full in the year of addition.

Certain fixed assets are treated as Continuous Process Plants based on technical evaluation done by the Management and are depreciated as per rates prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation is accelerated on fixed assets, based on their condition, usability, etc. as per the technical estimates of the Management, where necessary.

2.7 Revenue recognition

Sale of Power

Revenue from the sale of power is recognised on the basis of the number of units of power exported, in accordance with joint meter readings undertaken on a monthly basis by representatives of the State Electricity Board and the Company, at rates agreed upon with customers.

Renewable Energy Certificate (REC) Income

Income arising from REC is initially recognised in respect of the number of units of power exported at the minimum expected realisable value, determined based on the rates specified under the relevant regulations. The difference between the amount recognised initially and the amount realised on sale of such REC's at the Power Exchange are accounted for as and when such sale happens.

2.8 Other income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is accounted for when the right to receive it is established.

2.9 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable) and includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project.
Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

2.11 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items of the Company at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.12 Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

Other government grants and subsidies which are of revenue nature are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.13 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.14 Employee benefits

Defined contribution plans

The Company's State Governed provident fund scheme, Employee State Insurance scheme and Employee pension scheme are considered as defined contribution plans and expenses are recognized in the Statement of Profit and Loss based on the amount of contribution required to be made.

Defined benefit plans

The Company accrues for liability towards Gratuity which is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation as at the balance sheet date, using the Projected Unit Credit Method.

Actuarial gains and losses are recognized in the statement of profit and loss in the period in which they occur.

Long term employee benefits

The Company accounts for its liability towards long term compensated absences based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method.

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the Balance Sheet date, including short term compensated absences, are recognized as an expense as per the Company's scheme based on expected obligations on an undiscounted basis.

2.15 Borrowing costs

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of tax effect, if any) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.18 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward of losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.21 Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

Note 3: Share capital

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amount in ₹	Number of shares	Amount in ₹
(a) Authorised Equity shares of ₹10 each with voting rights	600,000,000	6,000,000,000	600,000,000	6,000,000,000
(b) Issued Equity shares of ₹10 each with voting rights	468,078,249	4,680,782,490	468,078,249	4,680,782,490
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	468,078,249	4,680,782,490	468,078,249	4,680,782,490
Total	468,078,249	4,680,782,490	468,078,249	4,680,782,490

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue / Buy Back	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2013			
- Number of shares	468,078,249	-	468,078,249
- Amount in Rupees	4,680,782,490		4,680,782,490
Year ended 31 March, 2012			
- Number of shares	468,078,249	-	468,078,249
- Amount in Rupees	4,680,782,490		4,680,782,490

(ii) Terms and Rights attached to equity shares

a). The Company has only one class of equity shares having a par value of ₹10 each. Each shareholder of equity shares is entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Dividend amounts, if any, will be paid in Indian Rupees.

b). Repayment of capital will be in proportion to the number of equity shares held.

(iii) Details of shares held by the Holding Company

Particulars	Equity shares with voting rights
	Number of shares
As at 31 March, 2013	
Orient Green Power Pte Ltd, Singapore, the Holding Company	262,063,624
As at 31 March, 2012	
Orient Green Power Pte Ltd, Singapore, the Holding Company	262,063,624

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March, 2013		As at 31 March, 2012	
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights: Orient Green Power Pte Ltd, Singapore, the holding company	262,063,624	55.99	262,063,624	55.99

(v) Aggregate number and class of shares allotted as fully paid up bonus shares for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31 March, 2013	As at 31 March, 2012
Equity shares with voting rights Fully paid up by way of bonus shares issued in the financial year 2009-2010	235,389,688	235,389,688

(vi) Preferential Allotment of Equity Shares and Share application money

The Board of Directors of the Company, at their meeting held on 22 February, 2013, approved the issue of 100,000,000 Equity Shares of ₹10 each at a price of ₹15 per equity share (including premium of ₹5 per share) on preferential basis under Section 81(1A) of the Companies Act 1956, to Shriram Industrial Holdings Limited (Formerly Shriram Industrial Holdings Private Limited), a company belonging to the promoter group, and the shareholders approval in respect of the same was obtained through a postal ballot on 26 March, 2013. Also Refer Note 29. Such Preferential shares shall rank pari passu in all respects including, as to dividend, with existing fully paid up equity shares of face value of ₹10 each and shall also be subject to lock-in, in accordance with the provisions of Issue of Share Capital and Disclosure Regulations (ICDR) of the Securities and Exchange Board of India.

Pursuant to the same, the Company received an amount of ₹1,500,000,000 as at 31 March, 2013 and the Company has allotted the equity shares on a preferential basis, subsequent to the year end. Also Refer Note 37.

Note 4: Reserves and Surplus

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Capital Reserve		
Opening balance	-	-
Add : Subsidy Received during the year (Refer Note below)	8,850,000	-
Closing balance	8,850,000	-
(b) Securities premium account		
Opening balance	6,709,423,848	6,709,423,848
Add : Premium on securities issued during the year	-	-
Less : Utilised during the year	-	-
Closing balance	6,709,423,848	6,709,423,848
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(110,561,953)	(56,802,534)
Add: (Loss) for the year	(168,653,595)	(53,759,419)
Closing balance	(279,215,548)	(110,561,953)
Total	6,439,058,300	6,598,861,895

Note

Additions to capital reserve represents subsidy granted by the Ministry of New and Renewable Energy (MNRE), Government of India, for the Bio Mass project established in Pollachi by the Company, accounted for in accordance with its accounting policy. The subsidy amount was paid by way of adjustment to the loan obtained by the Company from State Bank of Hyderabad. As per the terms of the subsidy, in case the project is not in operation or the project is abandoned for any reason whatsoever and if State Bank of Hyderabad enforces security and files application for recovery of its dues, the above subsidy amount shall be refunded.

Note 5: Long-term borrowings

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Term loans		
From banks - Secured (Refer Notes 5.1 and 11.2)	1,190,149,999	1,518,669,231
From other party - Unsecured (Refer Note 5.2)	1,439,045,082	-
(b) Long-term maturities of finance lease obligations (Refer Note 34(b))		
Secured (Refer Note 5.1)	-	350,137
Total	2,629,195,081	1,519,019,368

5.1 Details of terms of repayment and security provided in respect of the secured long-term borrowings:

Amount in ₹

Particulars	Terms of repayment and security	Total Amount outstanding as at 31 March, 2013	Total Amount outstanding as at 31 March, 2012	Amount repayable within one year classified as Other current liabilities (Refer Note 11)		Amount disclosed as Long Term Borrowings (Refer Note 5)	
				As at 31 March, 2013	As at 31 March, 2012	As at 31 March, 2013	As at 31 March, 2012
(a) Term loans from banks: State Bank of India (SBI)	Repayable in 32 quarterly installments commencing from September 2011 & ending June 2019 First charge on the assets created out of the term loan including mortgage of lease hold rights on the sugar mill land measuring 18 acres on which the cogeneration power plant is being set up. Exclusive charge on fixed assets of the company. In addition, Corporate Guarantee by Shriram EPC Limited was given for ₹1600 lakhs. Interest Rates - (Base Rate + 2.95%) (As at 31 March 2013 - 12.95%)	598,000,000	651,000,000	140,000,000	88,000,000	458,000,000	563,000,000
State Bank of India (SBI)	Repayable in 28 quarterly installments commencing from September 2011 & ending June 2018 All movable machinery, plant, spares, tools and accessories both present and future in respect of Narasingpur. Land of 5.75 hectare situated at Sukri village in Narasingpur. Interest Rates - (Base Rate + 2.95%) (As at 31 March 2013 - 12.95%)	287,000,000	386,000,000	65,000,000	52,000,000	222,000,000	334,000,000

Amount in ₹

Particulars	Terms of repayment and security	Total Amount outstanding as at 31 March, 2013	Total Amount outstanding as at 31 March, 2012	Amount repayable within one year classified as Other current liabilities (Refer Note 11)		Amount disclosed as Long Term Borrowings (Refer Note 5)	
				As at 31 March, 2013	As at 31 March, 2012	As at 31 March, 2013	As at 31 March, 2012
State Bank of Hyderabad (SBH)	Repayable in 31 quarterly installments commencing from June 2011 & ending March 2019 Equitable Mortgage of the land and Hypothecation of Plant & Machinery located at Kariyanchetti Palayam, Pollachi Taluk, Coimbatore Dist. Interest Rates - (Base Rate + 3.50%) (As at 31 March 2013 - 13.70%)	195,400,000	205,800,000	39,000,000	31,200,000	156,400,000	174,600,000
State Bank of Hyderabad (SBH)	Repayable in 32 quarterly installments commencing from September 2011 & ending June 2018 First pari passu charge on immovable & moveable fixed assets of the project at Kariyanchetti Palayam, Pollachi Taluk, Coimbatore Dist. Interest Rates - (Base Rate + 3.50%) (As at 31 March 2013 - 13.70%)	97,500,000	81,300,000	18,750,000	15,000,000	78,750,000	66,300,000

Amount in ₹

Particulars	Terms of repayment and security	Total Amount outstanding as at 31 March, 2013	Total Amount outstanding as at 31 March, 2012	Amount repayable within one year classified as Other current liabilities (Refer Note 11)		Amount disclosed as Long Term Borrowings (Refer Note 5)	
				As at 31 March, 2013	As at 31 March, 2012	As at 31 March, 2013	As at 31 March, 2012
Yes Bank Ltd	Repayable in 26 quarterly installments commencing from March 2011 & ending June 2017 *First pari passu* Charge on the Fixed Assets, moveable Fixed assets and current assets of PSR Green Power Projects Private Limited (PSR Green) and Shriram Non Conventional Energy Limited (SNCEL), subsidiaries of the Company. Subservient charge on the current assets & moveable fixed assets of the Company (OGPCL). Pledge of 13.5 million shares of OGPCL held by Theta Management Consultancy Services Private Limited, a Company in which KMP is a majority shareholder. For Term loan 2 in addition to the above security Corporate guarantee of Shriram EPC Limited is also given for ₹2150 Lakhs. Term loan - 1.Interest Rates - (YBL Base Rate + 3.83%) (As at 31 March 2013 - 14.33%) Term loan - 2.Interest Rates - (YBL Base Rate + 4.50%) (As at 31 March 2013 - 15%)	559,935,896	465,384,616	284,935,897	84,615,385	274,999,999	380,769,231
Total - Term loans from banks		1,737,835,896	1,789,484,616	547,685,897	270,815,385	1,190,149,999	1,518,669,231

Amount in ₹

Particulars	Terms of repayment and security	Total Amount outstanding as at 31 March, 2013	Total Amount outstanding as at 31 March, 2012	Amount repayable within one year classified as Other current liabilities (Refer Note 11)		Amount disclosed as Long Term Borrowings (Refer Note 5)	
				As at 31 March, 2013	As at 31 March, 2012	As at 31 March, 2013	As at 31 March, 2012
(b) Long-term maturities of finance lease obligations: HDFC Bank Ltd	Secured by hypothecation of vehicles acquired under the lease	350,142	955,194	350,142	605,057	-	350,137
Total - finance lease obligations		350,142	955,194	350,142	605,057	-	350,137

5.2 Details of terms of repayment and other terms in respect of the unsecured long-term borrowings:

Amount in ₹

Particulars	Terms of repayment and security	Total Amount outstanding as at 31 March, 2013	Total Amount outstanding as at 31 March, 2012	Amount repayable within one year classified as Other current liabilities (Refer Note 11)		Amount disclosed as Long Term Borrowings (Refer Note 5)	
				As at 31 March, 2013	As at 31 March, 2012	As at 31 March, 2013	As at 31 March, 2012
(a) Term loans from Others: Shriram Industrial Holdings Limited	The loan shall be repaid in one or more installments starting from 1 April 2014 but not later than 31 March 2016 or such other time as the parties may mutually agree upon from time to time. Interest shall be paid at 15% p.a	1,439,045,082	-	-	-	1,439,045,082	-
Total - Term loan from Others		1,439,045,082	-	-	-	1,439,045,082	-

Note 6 Deferred Tax Liability

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Deferred tax (liability) / asset		
(a) Tax effect of items constituting deferred tax liability		
Difference between the depreciation as per Books of Account and Income Tax Act, 1961	38,090,626	122,105,449
(b) Tax effect of items constituting deferred tax assets		
Provision for Employee Benefits	4,130,651	1,875,153
Unabsorbed depreciation / carried forward losses (restricted to the extent of the remaining Net Deferred Tax Liability)	33,959,975	120,230,296
Net deferred tax (liability) / asset - Total	-	-

Note 7 Other long-term liabilities

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Leasehold Liability	2,087,095	24,165,364
Total	2,087,095	24,165,364

Note 8 Long-term provisions

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Provision for employee benefits:		
(i) Provision for compensated absences (Refer Note 31.3)	4,105,976	2,427,357
(ii) Provision for gratuity (Refer Note 31.2)	4,994,221	3,387,973
Total	9,100,197	5,815,330

Note 9 Short-term borrowings

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Loans (Refer Note below)		
(i) Secured - from banks	38,012,153	41,113,656
(ii) Secured - from other parties	-	250,000,000
(iii) Unsecured - from related parties	283,287,865	-
(iv) Unsecured - from other parties	-	218,265,400
Total	321,300,018	509,379,056

Note
Details of short-term borrowings:

Amount in ₹

Particulars	Nature of security/other terms	As at 31 March, 2013	As at 31 March, 2012
Loans repayable on demand from banks: State Bank of Hyderabad (SBH)	First charge on present and future current assets of company unit situated at Kariyanchetti Palayam, Pollachi Taluk Coimbatore Dist., T.N Interest - SBH's Base rate plus 6.00%	38,012,153	41,113,656
Total-Secured-from banks		38,012,153	41,113,656
Loans repayable on demand from other parties: Reliance Capital Ltd (RCL)	The proceeds of the loan was utilized for the purposes of meeting project expenses of the 8 MW biomass project being set up by its 100% subsidiary Orient Green Power Co (Rajasthan) P Ltd (OGPRL) @ Kishan ganj Baran Rajasthan. This loan has been fully repaid during the current year. Interest Rates - 14.25% - 14.75% Bullet repayment on expiry of 12 months of the 1st disbursement of the facility by RCL to the company or out of senior debt to be raised by the subsidiary for the project whichever is earlier. Subservient charge on all assets of Orient Green Power Company Limited.	-	250,000,000
Total - Secured - from other parties		-	250,000,000
Unsecured loans from related parties: Shriram EPC Limited	Interest payable at 14% p.a	283,287,865	-
Total - Unsecured from related parties		283,287,865	-
Unsecured loans from other parties: Leitwind Shriram Manufacturing Limited	Interest payable at 15% p.a	-	218,265,400
Total Unsecured - from other parties		-	218,265,400
Total - Short term borrowings		321,300,018	509,379,056

Note 10 Trade payables

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Acceptances	-	-
(b) Other than Acceptances (Refer Note below)	24,314,624	52,057,986
Total	24,314,624	52,057,986

Note

As at 31 March, 2013 and 31 March, 2012, based on and to the extent of information available with the Company regarding the registration of suppliers as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts outstanding in respect of these suppliers.

Note 11 Other current liabilities

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Current maturities of long-term debt (Refer Notes 5.1 and 11.2)	547,685,897	270,815,385
(b) Current maturities of finance lease obligations (Refer Notes 5.1 and 34(b))	350,142	605,057
(c) Interest accrued and due on Long term borrowings (Refer Note 11.2)	62,173,061	32,971,557
(d) Other payables		
(i) Statutory remittances (Refer Note 11.1)	21,476,383	6,071,936
(ii) Interest accrued on Short-term borrowings	-	6,868,001
(iii) Others		
- Advance received from Related Parties	59,760,622	1,774,762,308
- Payable towards Investment	25,000,000	25,000,000
- Advance from Customers	9,615,690	-
- Payable for purchase of Fixed Assets	80,923,157	125,163,873
Total	806,984,952	2,242,258,117

11.1. Tamil Nadu Tax on Consumption & Sale of Electricity Act 2003 requires the companies to pay Electricity tax at the specified rates in respect of all the third party sales made. Such levy under the Act has been represented by the Indian Biomass Association to the concerned authorities for waiver and the Company has also filed a petition before the Honourable Supreme Court of India disputing the levy. Pending the decision, a provision of ₹16,643,820 (31 March, 2012: Nil) has been made on grounds of prudence in respect of third party sales made during the year and included as part of statutory remittances payable.

11.2 The Company has defaulted in repayment of Long term secured loans and interest in respect of the following amounts included under Current maturities of long-term debt and Interest accrued and due on Long term borrowings in Note 11:

Particulars	As at 31 March, 2013	
	Period of default	Amount in ₹
Term loans from banks:		
State Bank of India (SBI)		
Principal	September 2012 to March 2013	52,000,000
Interest (including overdue penal interest)	September 2012 to March 2013	42,932,898
State Bank of India (SBI)		
Principal	January 2013 to March 2013	13,000,000
Interest (including overdue penal interest)	January 2013 to March 2013	8,138,559
State Bank of Hyderabad (SBH)		
Principal	January 2013 to March 2013	7,800,000
Interest (including overdue penal interest)	March 2013	2,274,946
State Bank of Hyderabad (SBH)		
Principal	January 2013 to March 2013	3,750,000
Interest (including overdue penal interest)	February 2013 and March 2013	1,992,983
Yes Bank Ltd		
Principal	January 2013 to March 2013	56,987,179
Interest (including overdue penal interest)	March 2013	6,833,675
Total - Principal		133,537,179
Total - Interest		62,173,061
Grand Total		195,710,240

Note:

The Company has repaid ₹23,386,077 subsequent to the Balance Sheet date and has also applied for a reschedulement of the terms with some of the Banks. The Company is hopeful of a favourable outcome in respect of the same.

Note 12 Fixed assets - Current Year

Amount in ₹

A.	Tangible assets	Gross block			
		Balance as at 1 April, 2012	Additions	Disposals/Other Adjustments	Balance as at 31 March, 2013
	(a) Land - Freehold	63,653,089	2,821,256	-	66,474,345
	(b) Buildings	95,715,189	-	-	95,715,189
	(c) Plant and Equipment	464,136,382	5,249,089	-	469,385,471
	(d) Furniture and Fixtures	23,804,538	228,354	-	24,032,892
	(e) Vehicles				
	Owned	75,405	-	-	75,405
	Taken under finance lease (Refer Note (ii) below)	1,939,586	-	-	1,939,586
	(f) Office equipments	4,530,102	185,851	-	4,715,953
	(g) Computers	4,577,974	882,430	-	5,460,404
	(h) Leasehold Improvements	13,700,673	-	-	13,700,673
	Total	672,132,938	9,366,980	-	681,499,918

Note 12 Fixed assets - Current Year

Amount in ₹

A	Tangible assets	Accumulated depreciation and amortisation				Net block	
		Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
	(a) Land	-	-	-	-	66,474,345	63,653,089
	(b) Buildings	1,865,494	3,198,976	-	5,064,470	90,650,719	93,849,695
	(c) Plant and Equipment	13,957,259	24,470,523	-	38,427,782	430,957,689	450,179,123
	(d) Furniture and Fixtures	3,860,082	4,671,078	-	8,531,160	15,501,732	19,944,456
	(e) Vehicles						
	Owned	14,918	10,663	-	25,581	49,824	60,487
	Taken under finance lease (Refer Note (ii) below)	265,709	179,262	-	444,971	1,494,615	1,673,877
	(f) Office equipments	618,445	293,287	-	911,732	3,804,221	3,911,657
	(g) Computers	1,392,135	774,508	-	2,166,643	3,293,761	3,185,839
	(h) Leasehold Improvements	2,532,463	2,735,071	-	5,267,534	8,433,139	11,168,210
	Total	24,506,505	36,333,368	-	60,839,873	620,660,045	647,626,433

(i) All Tangible assets are owned by the Company except stated in the noted (ii) below
(ii) Details of assets acquired under finance lease:

Amount in ₹

Particulars	Gross block		Net block	
	31 March, 2013	31 March, 2012	31 March, 2013	31 March, 2012
Vehicles	1,939,586	1,939,586	1,494,615	1,673,877

Note 12 Fixed assets - Current Year (contd.)

Amount in ₹

B.	Intangible assets	Gross block			
		Balance as at 1 April, 2012	Additions	Disposals/Other Adjustments	Balance as at 31 March, 2013
	(a) Software	4,775,990	-	-	4,775,990
	(b) Leasehold Rights	26,658,926	-	(26,658,926)	-
	Total	31,434,916	-	(26,658,926)	4,775,990

Amount in ₹

	Intangible assets	Accumulated depreciation and amortisation				Net block	
		Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
	(a) Software	788,236	945,883	-	1,734,119	3,041,871	3,987,754
	(b) Leasehold Rights	2,423,529	807,845	3,231,374	-	-	24,235,397
	Total	3,211,765	1,753,728	3,231,374	1,734,119	3,041,871	28,223,151

Total Depreciation and amortisation expense for the year

Amount in ₹

Particulars	For the year ended 31 March, 2013
Tangible Assets	36,333,368
Intangible Assets	1,753,728
Total	38,087,096

Note 12 Fixed assets - Previous Year

Amount in ₹

C.	Tangible assets	Gross block				
		Balance as at 1 April, 2011	Additions	Disposals/Other Adjustments	Disposals/Other Adjustments	Balance as at 31 March, 2012
	(a) Land - Freehold	48,322,135	15,330,954	-	-	63,653,089
	(b) Buildings	-	85,507,806	-	10,207,383	95,715,189
	(c) Plant and Equipment	8,310	412,585,430	-	51,542,642	464,136,382
	(d) Furniture and Fixtures	242,367	23,562,171	-	-	23,804,538
	(e) Vehicles					
	Owned	75,405	-	-	-	75,405
	Taken under finance lease (Refer Note (ii) below)	2,647,608	-	708,022	-	1,939,586
	(f) Office equipments	444,468	4,085,634	-	-	4,530,102
	(g) Computers	3,090,481	1,487,493	-	-	4,577,974
	(h) Leasehold Improvements	-	13,700,673	-	-	13,700,673
	Total	54,830,774	556,260,161	708,022	61,750,025	672,132,938

Note 12 Fixed assets - Previous Year

Amount in ₹

C. Tangible assets	Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Land	-	-	-	-	63,653,089	48,322,135
(b) Buildings	-	1,865,494	-	1,865,494	93,849,695	-
(c) Plant and Equipment	322	13,956,937	-	13,957,259	450,179,123	7,988
(d) Furniture and Fixtures	17,112	3,842,970	-	3,860,082	19,944,456	225,255
(e) Vehicles						
Owned	7,890	7,028	-	14,918	60,487	67,515
Taken under finance lease (Refer Note (ii) below)	94,136	230,575	59,002	265,709	1,673,877	2,553,472
(f) Office equipments	270,111	348,334	-	618,445	3,911,657	174,357
(g) Computers	637,590	754,545	-	1,392,135	3,185,839	2,452,891
(h) Leasehold Improvements	-	2,532,463	-	2,532,463	11,168,210	-
Total	1,027,161	23,538,346	59,002	24,506,505	647,626,433	53,803,613

(i) All Tangible assets are owned by the Company except stated in the note (ii) below

(ii) Details of assets acquired under finance lease:

Amount in ₹

Particulars	Gross block		Net block	
	31 March, 2012	31 March, 2011	31 March, 2012	31 March, 2011
Vehicles	1,939,586	2,647,608	1,673,877	2,553,472

Note 12 Fixed assets - Previous Year (contd.)

Amount in ₹

D. Intangible assets	Gross block			
	Balance as at 1 April, 2011	Additions	Disposals/Other Adjustments	Balance as at 31 March, 2012
(a) Software	-	4,775,990	-	4,775,990
(b) Leasehold Rights	26,658,926	-	-	26,658,926
Total	26,658,926	4,775,990	-	31,434,916

Amount in ₹

Intangible assets	Accumulated depreciation and amortisation				Net block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Software	-	788,236	-	788,236	3,987,754	-
(b) Leasehold Rights	1,615,681	807,848	-	2,423,529	24,235,397	25,043,245
Total	1,615,681	1,596,084	-	3,211,765	28,223,151	25,043,245

Total Depreciation and amortisation expense for the year

Amount in ₹

Particulars	For the year ended 31 March, 2012
Tangible Assets	23,538,346
Intangible Assets	1,596,084
Total	25,134,430

Note 12 Fixed assets (contd.)

E Capital Work in Progress

The capital work in progress as at 31 March 2013 relates to the ongoing projects of the Company for construction of Bio Mass plants in Narsinghpur, Madhya Pradesh and Kolhapur in Maharashtra, which are in the final stages of construction and is expected to be capitalised in the ensuing financial year. The details of the amounts included are given below:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Building	206,713,167	204,343,914
Plant and Machinery	876,702,378	875,335,316
Other fixed assets	392,913,739	349,857,145
Borrowing Costs and Other expenses related to acquisition of fixed assets	568,595,453	470,446,760
Total	2,044,924,737	1,899,983,135

Note 13 Non-current investments

(Valued at Cost, unless otherwise stated)

Amount in ₹

Particulars	Face Value Per Share	As at 31 March, 2013		As at 31 March, 2012	
		Amount	Number of Shares	Amount	Number of Shares
Investments (At cost): Trade and Unquoted Investment in equity shares of subsidiaries:					
(a) Amrit Environmental Technologies Private Limited (Refer Note (i) below)	10	150,516,911	1,000,000	150,516,911	1,000,000
(b) SM Environmental Technologies Private Limited. (Refer Note (i) below)	10	418,168,617	2,975,000	333,168,617	2,125,000
(c) Global Powertech Equipments Limited.	10	150,400,000	14,580,000	150,400,000	14,580,000
(d) Beta Windfarm Private Limited. *	10	305,366,794	16,219,726	128,761,794	6,924,726
(e) Gayathri Green Power Limited.	10	600,000	59,998	600,000	59,998
(f) Orient Biopower Limited. (Refer Note (i) below)	10	7,004,690	700,469	7,004,690	700,469
(g) Orient Eco Energy Limited.	10	53,700,000	5,370,000	53,700,000	5,370,000
(h) Gamma Green Power Private Limited. $	10	305,600,000	18,060,000	305,600,000	18,060,000
(i) Orient Green Power Europe BV.	EUR1	335,547,572	5,433,000	335,547,572	5,433,000
(j) Pallavi Power and Mines Limited.	100	47,000,000	470,000	47,000,000	470,000
(k) Sanjog Sugar and Eco Power Private Limited. (Refer Note (i) below)	10	136,827,700	1,331,465	149,979,000	1,462,980
(l) Shriram Non Conventional Energy Limited. %	10	133,500,000	13,350,000	133,500,000	13,350,000
(m)Shriram Powergen Limited.	10	120,000,000	12,000,000	120,000,000	12,000,000
(n) PSR Green Power Projects Private Limited. %	10	77,931,200	7,793,120	111,180,000	11,118,000
(o) Bharath Wind Farm Limited. # $	10	504,490,000	71,709,285	504,490,000	71,709,285
(p) Orient Green Power Company (Rajasthan) Private Limited.	10	120,000,000	1,209,000	120,000,000	1,209,000
(q) Theta Wind Energy Private Limited.	10	100,000	10,000	100,000	10,000
(r) Statt Orient Energy Private Limited, Srilanka	LKR 100	96,809,481	2,208,600	44,876,650	981,000
Total		2,963,562,965		2,696,425,234	

Includes 35,674,285 shares gifted by Orient Green Power Pte Ltd. Singapore, Holding company
% Covered by a non disposal undertaking given to banks
$ Shares have been pledged with a lender, for loans obtained by the subsidiaries.
* 2,319,292 shares have been pledged with the lender for loans obtained by the subsidiary.

Notes:

(I) The Company has made investments aggregating to ₹712,517,918 in four Indian subsidiary companies and has also provided loans aggregating to ₹1,060,911,822 as at 31 March 2013 to these subsidiaries, whose net worth has been fully/substantially eroded as at 31 March, 2013, as per the audited financial statements of these entities.

The Company has carried out an evaluation of the nature of the diminution in the value of the investments in these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of these investments, the nature of the industry, gestation period, etc., the diminution in value of the investments is not considered as other than temporary in nature. Further, the loans are also considered as good for recovery.

(ii) During the current year, the Company has sold part of its stake in Sanjog Sugars and Eco Power Private Limited and PSR Green Power Projects Private Limited at cost as per terms of its agreement/understanding with the parties.

Note 14 Long-term loans and advances

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Unsecured, considered good		
(a) Capital advances	54,624,600	300,365,294
(b) Security deposits	4,238,900	2,524,374
(c) Loans and advances to related parties (Refer Notes 32, 33 & 13(i))		
Loans to Subsidiaries	3,068,224,935	2,727,927,367
Advance subscription towards Equity Shares (Refer Note (ii) below)	7,197,880,222	6,012,371,070
(d) Advance income tax (net of provisions ₹6,215,632 (As at 31 March, 2012 ₹6,215,632))	51,412,213	35,198,969
(e) Other loans and advances		
Advances to other entities (Refer Note (i) below)	53,471,508	53,471,508
Rent Advance	11,056,291	11,106,291
Others	4,116,821	18,793,609
Total	10,445,025,490	9,161,758,482

Notes:

(i) This amount represents amounts paid to Statt Agra Ventures Private Limited and Statt Green Power Private Limited for the purposes of setting up Windmill projects in Srilanka. The Company is in the process of obtaining the relevant approvals for converting these advances into investments.

(ii) The amounts disclosed as Advance subscription towards equity shares represent amount paid towards investment in subsidiaries for which allotment of equity shares in favour of the Company has not yet been completed. Such allotment is expected to be completed in the ensuing financial year. The details of the same as at the year end are as follows:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Beta Wind Farm Private Limited.	7,161,750,167	5,924,635,070
Pallavi Power and Mines Limited.	25,000,000	25,000,000
Statt Orient Energy Private Limited, Sri Lanka.	11,130,055	62,736,000
Total	7,197,880,222	6,012,371,070

Note 15 Current investments

(At lower of cost and fair value, unless otherwise stated) Amount in ₹

Particulars	Face Value Per Share	As at 31 March, 2013		As at 31 March, 2012	
		Amount	Number of Shares	Amount	Number of Shares
(a) Investment in equity shares - Unquoted Powergen Lanka Private Limited, subsidiary in Sri Lanka. (Refer Note below)	LKR 1	-	-	11	27
		-	-	11	

Notes:

The Company, with a view to concentrate on the fast growing wind energy business in India, sold its entire 90% stake in Powergen Lanka Private Limited. The Share Sale Agreement for sale of the stake was executed on 16 July, 2012 and, accordingly, Powergen Lanka ceased to be a subsidiary from that date. An amount of ₹28,659,094, being the net gain on sale of the investment in this subsidiary has been included as Exceptional Item in the Statement of Profit and Loss for the year ended 31 March, 2013.

Note 16 Inventories

(At lower of cost and net realisable value) Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Raw materials	19,031,254	30,719,524
(b) Stores and spares	3,729,579	3,044,896
Total	22,760,833	33,764,420

Notes:

As at 31 March 2013, the Company has estimated and accounted for an amount of ₹5,000,000 (As at 31 March 2012, ₹ Nil) as allowance for non moving/slow moving inventories in accordance with its accounting policy based on Management's assessment/technical evaluation.

Note 17 Trade receivables

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment Unsecured, considered good	-	4,591,286
(b) Other Trade receivables Unsecured, considered good	13,667,412	79,900,264
Total	13,667,412	84,491,550

Note 18 Cash and cash equivalents

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Cash on hand	277,083	847,901
(b) Balances with banks		
(i) In current accounts	13,428,577	58,502,145
(ii) In foreign currency accounts	448,933	1,731,954
(iii) In deposit accounts	702,661	92,925,918
(iv) In earmarked accounts		
- Balances held as margin money	12,503,338	3,680,747
- Share application money received towards preferential issue (Refer Note 29)	26,339	-
- Deposits/current accounts relating to IPO Proceeds (Refer Note 30(a))	210,660,385	536,073,420
Total	238,047,316	693,762,085

Note:

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	14,919,961	118,808,940

Note 19 Short-term loans and advances

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Unsecured and considered good		
(a) Security Deposits	10,629,115	-
(b) Loans and advances to related parties	-	375,486,393
(c) Loans and advances to employees	1,208,477	395,559
(d) Prepaid expenses	976,119	523,646
(e) Others - Advance to vendors	15,064,766	8,153,893
Total	27,878,477	384,559,491

Note 20 Other current assets

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Interest accrued on trade receivables	1,745,614	1,745,614
(b) Unbilled Revenue	3,843,229	-
(c) REC Income Receivable	30,717,120	-
Total	36,305,963	1,745,614

Note 21 Revenue from operations

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a)Sale of Power	364,129,448	78,154,650
(56,846,600 Kwh Units (Previous Year 14,939,800 Kwh Units)		
(b)Other operating revenues - REC income	74,679,684	-
Total	438,809,132	78,154,650

Note 22 Other income

Amount in ₹

	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a)	Interest income (Refer Note (i) below)	161,070,165	178,074,464
(b)	Net gain on sale of current investments	-	47,874,795
(c)	Net gain on foreign currency transactions and translation	2,548,238	317,694
(d)	Other non-operating income (Refer Note (ii) below)	7,754,500	397,776
	Total	171,372,903	226,664,729

Amount in ₹

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i)	Interest income comprises:		
	- Interest on bank deposits	42,013,733	94,782,300
	- Interest on loans to subsidiaries	119,056,432	68,437,665
	- Interest on other loans	-	13,107,801
	Interest on overdue trade receivables	-	1,745,614
	Other interest	-	1,084
	Total	161,070,165	178,074,464

Amount in ₹

Note	Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(ii)	Other non-operating income comprises:		
	Insurance claim received	6,242,029	-
	Scrap sales	320,600	-
	Miscellaneous Income	1,191,871	397,776
	Total	7,754,500	397,776

Note 23 Cost of materials consumed

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Opening stock	30,719,524	18,852,492
(b) Add: Purchases	248,160,100	102,129,817
	278,879,624	120,982,309
(c) Less: Closing stock	19,031,254	30,719,524
Total	259,848,370	90,262,785
Material consumed comprises:		
Julie flora	80,753,772	27,878,072
Saw Dust	25,175,314	10,524,748
Other items (None of the individual items exceeds 10% of the total consumption)	153,919,284	51,859,965
Total	259,848,370	90,262,785

Details of consumption of imported and indigenous raw materials:

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Imported		
Amount in Rupees.	-	-
%	0%	0%
Indigenous		
Amount in Rupees.	259,848,370	90,262,785
%	100%	100%
Total	259,848,370	90,262,785

Note 24 Employee benefits expense

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Salaries and wages	99,663,929	79,542,383
(b) Contributions to provident fund	3,817,944	2,898,801
(c) Gratuity Expense	1,606,248	1,519,028
(d) Staff welfare expenses	3,264,609	2,593,978
Total	108,352,730	86,554,190

Note 25 Finance costs

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Interest expense on:		
(i) Borrowings	149,098,034	42,799,853
(ii) Others	30,092,503	10,633,465
Total	179,190,537	53,433,318

Note 26 Other expenses

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Consumption of stores and spare parts (Refer Note (i) below)	8,003,814	2,780,901
(b) Subcontracting	8,316,709	3,667,142
(c) Power and fuel	9,777,561	3,337,570
(d) Water	1,841,816	160,944
(e) Rent and other charges	17,242,882	11,299,374
(f) Repairs and maintenance - Machinery	2,910,335	1,684,533
(g) Repairs and maintenance - Others	4,346,516	2,165,061
(h) Insurance	2,082,887	2,030,384
(i) Rates and taxes (Refer Note 11.1)	20,698,731	1,787,768
(j) Communication	1,979,329	2,056,938
(k) Travelling and conveyance	11,888,647	9,062,207
(l) Printing and stationery	2,770,533	1,916,309
(m)Freight and forwarding	93,877	1,110,223
(n) Hire Charges	8,549,549	5,406,369
(o) Sitting Fees	853,500	800,000
(p) Business promotion	1,391,750	1,907,421
(q) Legal and professional	18,558,356	27,364,784
(r) Payments to auditors (Refer Note (ii) below)	3,136,137	2,518,530
(s) REC Expenses	987,446	-
(t) Loans and advances written off	7,803,627	976,497
(u) Amounts written off on abandonment of projects (Refer Note (iii) below)	29,756,492	-
(v) Loss on fixed assets sold	-	109,520
(w) Transmission Charges	31,253,023	-
(x) Bank Charges	356,063	577,867
(y) Miscellaneous expenses	27,416,411	20,473,733
Total	222,015,991	103,194,075

Notes:

(i) Details of consumption of imported and indigenous Stores and spares:

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Imported		
Amount in Rupees.	-	-
%	0%	0%
Indigenous		
Amount in Rupees.	8,003,814	2,780,901
%	100%	100%
Total	8,003,814	2,780,901

(ii) Payments to the auditors comprises:

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
As statutory auditors	2,400,000	1,950,000
For certification	181,000	310,000
Service tax	316,626	230,520
Reimbursement of expenses	238,511	28,010
Total	3,136,137	2,518,530

(iii) During the current year ended 31 March 2013, the Company has decided not to proceed with the Biomass projects at Amritsar, Patiala and Vellore and has accordingly, charged off an amount of ₹29,756,492 under "Amounts written off on abandonment of projects" in the statement of Profit and Loss. Also Refer Note 30(c).

Note 27 Contingent liabilities and commitments (to the extent not provided for)

Amount in ₹

Note	Particulars	As at 31 March, 2013	As at 31 March, 2012
(i)	Contingent liabilities		
	(a) Income Tax Demands against which the Company has gone on Appeal (Refer Note 27.1 below)	26,201,250	-
	(b) Corporate Guarantees provided for subsidiaries	20,738,600,000	21,098,400,000
	(c) Counter Guarantees provided to Banks	2,850,000	2,850,000
(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	82,400,000	1,839,000,000

27.1 Managements Assessment:

The Company expects a favourable decision with respect to the above disputed demands / claims based on professional advice and, hence, no provision for the same has been made.

Note 28 Additional information to financial statements

28.1 Earnings in foreign currency

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Proceeds from sale of investments	450,545,598	-

28.2 Expenditure in foreign currency (on accrual basis)

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Professional and consultation fees	355,817	1,419,196
Travel	2,420,248	792,615
Others	-	2,228,069

Note 29 Share application money pending allotment

The Company has received an amount of ₹1,500,000,000 towards share application money and the allotment of equity shares was made on 6 April, 2013 on completion of required formalities. As per the objects of the preferential allotment, the end use of the funds raised is to meet the cost overrun in the 300 MW wind project, long term working capital needs and retirement of high cost debts. The balance amount remaining unutilised as at 31 March, 2013 on this account is ₹26,339.

Note 30 Utilization of IPO Proceeds

a) Of the funds raised through the IPO in FY 2010-11, the Company has utilized ₹8,789,934,824 (Previous year: ₹8,617,294,657) towards various objects of the issue as detailed below :

Amount in ₹

Particulars	Amount to be utilised as per Prospectus (Refer Note (c)	Amount utilised upto 31 March, 2013	Amount utilised upto 31 March, 2012
Construction and development of biomass projects (Refer Note (c) below)	123,600,000	120,000,000	590,000,000
Funding of subsidiaries for repayment of existing loans	1,481,950,000	1,477,747,102	1,477,747,102
Funding of subsidiaries for development of biomass and wind projects (Refer Note (c) below)	5,786,040,000	5,651,208,274	5,027,708,274
General Corporate purposes and issue expenses	1,608,409,967	1,540,979,448	1,521,839,281
TOTAL	8,999,999,967	8,789,934,824	8,617,294,657
Amount Remaining Unutilised		210,065,143	382,705,310
Add: Income from investments made out of IPO Proceeds and remaining unrealised (Net)		595,242	153,368,110
Total amount in Bank fixed deposits/balances		210,660,385	536,073,420

b) Pending utilization of the full proceeds of the issue, the funds are temporarily invested / held in :

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Bank Fixed Deposits	210,654,694	535,912,000
Bank Balances	5,691	161,420
TOTAL	210,660,385	536,073,420

c) Change in objects of the issue

As per the original objects of utilisation mentioned in the prospectus, the total amount to be utilised towards Construction and development of biomass projects was ₹607,570,000. This amount included ₹483,970,000 relating to the proposed projects to be set up in Amritsar, Patiala and Vellore. The Company had also paid an amount of ₹470,000,000 in respect of the same to EPC contractors as advance towards construction of the plants at the said locations which was included under utilisation of proceeds for construction and development of biomass projects as at 31 March 2012.

During the current year ended March 31, 2013, the Company has obtained the shareholders approval through postal ballot on March 26, 2013 to change the objects of the IPO consequent to the delays in the implementation of the said biomass projects and to decide on not proceeding with these projects and instead using the amounts originally earmarked for construction and development of biomass projects in the 300 MW wind project in its subsidiary companies. Accordingly, the amounts advanced towards the projects in Amritsar, Patiala and Vellore as aforesaid has been brought back and deployed for funding of subsidiaries for development of biomass and wind projects as at 31 March, 2013. Also Refer Note 26(iii).

Note 31. Employee Benefits

31.1 The Company makes Provident Fund contributions for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹3,817,944 (Previous Year ₹2,898,801) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

31.2 Defined benefit plans

The Company's obligation towards Gratuity is a Defined Benefit Plan. The Company has not funded its gratuity liability and the same continues to remain unfunded as at 31 March 2013. The following table sets out the Gratuity scheme and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary;

Amount in ₹

Particulars	2012-13	2011-12
Changes in present value of obligation		
Present Value of Obligations as at beginning of Year	3,387,973	1,868,945
Interest Cost	287,977	-
Current Service Cost	1,639,146	1,519,028
Benefits Paid	-	-
Actuarial Loss on Obligation	(320,875)	-
Present Value of Obligations as at end of Year	4,994,221	3,387,973
Expenses recognised in Profit and Loss statement		
Current service Cost	1,639,146	1,519,028
Interest Cost	287,977	-
Expected return on plan assets	-	-
Net Actuarial loss recognised in the year	(320,875)	-

Amount in ₹

Particulars	2012-13	2011-12
Expenses to be recognised in the statement of Profit and Loss	1,606,248	1,519,028
Assumptions		
Discount Rate	8.50%	8.00%
Expected rate of salary increase	5.00%	5.00%
Mortality	Indian Assured Lives (2006-08) Ultimate	LIC (1994-96) Mortality Table
Attrition rate	3.00%	3.00%

Notes:

(i) The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant factors.

(ii) Discount rate is based on the prevailing market as applicable for risk free investment as at the Balance Sheet date for the estimated term of the obligation.

(iii) Experience Adjustments

Amount in ₹

Particulars	2012-13
Defined Benefit Obligation	4,994,221
Plan Assets	-
Deficit	(4,994,221)
Experience Adjustments on Plan Liabilities – Losses/(Gains)	322,944

The details of experience adjustments relating to the prior years have not been disclosed in the absence of the required information.

31.3 Compensated absences

The Company has accounted for an amount ₹4,105,976 (As at 31 March 2012 ₹2,427,357) as Long term provision for compensated absences (Note 8) and ₹3,052,352 (As at 31 March 2012 ₹ Nil) as Short Term provision for compensated absences in accordance with its accounting policy. The key assumptions, as provided by the independent actuary, used in the computation of provision for long term compensated absences are as given below:

Particulars	2012-13	2011-12
Discount rate	8.50%	8.00%
Future salary increase	5.00%	5.00%
Attrition rate	3.00%	3.00%

Note 32 Disclosure as per Clause 32 of the listing agreements with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiaries, associates, firms/companies in which directors are interested are given below:

Current year

Amount in ₹

Name of the party (Refer Note below)	Relationship	Amount outstanding as at 31 March, 2013	Maximum amount outstanding during the year
Bharath Wind Farm Limited	Wholly Owned Subsidiary	474,336,031	474,431,714
Global Powertech Equipments Limited	Wholly Owned Subsidiary	192,447,058	201,852,450
Shriram Non Conventional Energy Limited	Wholly Owned Subsidiary	277,226,048	335,596,274
SM Environmental Technologies Private Limited	Wholly Owned Subsidiary	213,206,748	266,922,986
Amrit Environmental Technologies Private Limited	Wholly Owned Subsidiary	387,797,619	387,797,619
PSR Green Power Projects Private Limited	Subsidiary	532,147,398	533,363,285
Sanjog Sugars & Eco Power Private Limited	Subsidiary	387,706,837	409,018,505
Gamma Green Power Private Limited	Subsidiary	376,381,259	377,180,911
Orient Green Power Company (Rajasthan) Private Limited	Wholly Owned Subsidiary	120,480,636	344,218,236
Orient Green Power Europe BV	Wholly Owned Subsidiary	19,853,955	19,853,955
Theta Wind Energy Private Limited	Wholly Owned Subsidiary	14,130,800	14,130,800
Orient Biopower Limited	Subsidiary	72,200,618	72,406,378
Pallavi Power & Mines Limited	Subsidiary	309,928	309,928

Previous year

Amount in ₹

Name of the party (Refer Note below)	Relationship	Amount outstanding as at 31 March, 2012	Maximum amount outstanding during the year
Bharath Wind Farm Limited	Wholly Owned Subsidiary	320,945,574	320,945,574
Global Powertech Equipments Limited	Wholly Owned Subsidiary	181,300,388	281,551,583
Shriram Non Conventional Energy Limited	Wholly Owned Subsidiary	328,758,782	392,520,941
SM Environmental Technologies Private Limited	Wholly Owned Subsidiary	99,736,690	223,014,135
Amrit Environmental Technologies Private Limited	Wholly Owned Subsidiary	279,241,401	367,073,372
PSR Green Power Projects Private Limited	Subsidiary	471,908,071	471,908,071
Sanjog Sugars & Eco Power Private Limited	Subsidiary	242,915,250	248,649,153
Gamma Green Power Private Limited	Subsidiary	313,633,725	314,110,327
Orient Green Power Company (Rajasthan) Private Limited	Wholly Owned Subsidiary	328,872,251	337,557,425
Orient Green Power Europe BV	Wholly Owned Subsidiary	19,710,401	19,710,401
Theta Wind Energy Private Limited	Wholly Owned Subsidiary	14,125,600	14,125,600
Shriram Powergen Limited	Subsidiary	64,374,163	187,212,727
Orient Biopower Limited	Subsidiary	62,279,732	62,467,394
Pallavi Power & Mines Limited	Subsidiary	7,060	7,060
Powergen Lanka Private Limited	Subsidiary	375,486,393	375,486,393

Note:

The loans shall be repaid in one or more installments not later than 31 March 2015 or such other time as the parties may mutually agree upon from time to time. Interest is charged in respect of those subsidiaries which are not wholly owned subsidiaries.

Note 33 Related Party Transactions

Details of related parties:

Description of relationship	Names of related parties	
	2012-13	2011-12
Holding Company	Orient Green Power Pte Limited, Singapore	Orient Green Power Pte Limited, Singapore
Subsidiaries	Bharath Wind Farm Limited Gamma Green Power Company Private Limited Global Powertech Equipments Limited Pallavi Power & Mines Limited Amrit Environmental Technologies Private Limited SM Environmental Technologies Private Limited Sanjog Sugars & Eco Power Private Limited PSR Green Power Projects Private Limited Shriram Powergen Limited Shriram Non-Conventional Energy Limited Orient Bio Power Limited Beta Wind Farm Private Limited Orient Green Power (Europe), BV Orient Green Power Company (Rajasthan) Private Limited Gayathri Green Power Limited Orient Eco Energy Limited Powergen Lanka Private Limited (Upto 15 July, 2012) Theta Wind Energy Private Limited Statt Orient Energy Private Limited	Bharath Wind Farm Limited Gamma Green Power Company Private Limited Global Powertech Equipments Limited Pallavi Power & Mines Limited Amrit Environmental Technologies Private Limited SM Environmental Technologies Private Limited Sanjog Sugars & Eco Power Private Limited PSR Green Power Projects Private Limited Shriram Powergen Limited Shriram Non-Conventional Energy Limited Orient Bio Power Limited Beta Wind Farm Private Limited Orient Green Power (Europe), BV Orient Green Power Company (Rajasthan) Private Limited Gayathri Green Power Limited Orient Eco Energy Limited Powergen Lanka Private Limited Theta Wind Energy Private Limited Statt Orient Energy Private Limited
Step down subsidiaries	Clarion Wind Farm Private Limited VjetroElektranaCrnoBrdod.o.o, Croatia Orient Green Power Austria GmbH, Austria OGPCZ. s.r.o, Czech Republic Orient Green Power Doo, Republic of Macedonia Pennant Penguin Dendro Power (Private) Limited (w.e.f 1 October 2012)	Clarion Wind Farm Private Limited VjetroElektranaCrnoBrdod.o.o, Croatia Orient Green Power Austria GmbH, Austria OGPCZ. s.r.o, Czech Republic Orient Green Power Doo, Republic of Macedonia N/A
Key Management Personnel (KMP)	Mr. T. Shivaraman, Vice-Chairman Mr. P. Krishna Kumar, Managing Director	Mr. T. Shivaraman, Vice-Chairman Mr. P. Krishna Kumar, Managing Director
Company over which KMP exercises Significant Influence (Others)	Shriram EPC Limited Theta Management Consultancy Services Private Limited	Shriram EPC Limited

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:

Amount in ₹

Nature of Transaction	Related Subsidaries	Relationship	2012-13	2011-12
Interest Received	Gamma Green Power Private Limited	Subsidiary	31,627,070	12,892,556
	PSR Green Power Projects Private Limited	Subsidiary	47,064,249	28,789,659
	Beta Wind Farm Private Limited	Subsidiary	-	8,170,357
	Sanjog Sugars & Eco Power Private Limited	Subsidiary	30,453,463	11,673,030
	Orient Bio Power Limited	Subsidiary	9,911,650	6,698,345
	Orient Eco Energy Limited	Subsidiary	-	213,718
Interest Paid	Orient Eco Energy Limited	Subsidiary	66,590	166,927
	Beta Wind Farm Private Limited	Subsidiary	-	813,392
	Shriram EPC Limited	Others	1,989,991	-
	Clarion Wind Farm Private Limited	Step down Subsidiary	1,596,587	439,688
Loans made / (recovered/received) - (Net)	Amrit Environmental Technologies Private Limited	Subsidiary	108,556,218	12,364,344
	Beta Wind Farm Private Limited	Subsidiary	-	232,336,132
	Bharath Wind Farm Limited	Subsidiary	153,390,457	289,995,420
	Clarion Wind Farm Private Limited	Step down Subsidiary	(20,906,447)	-
	Gamma Green Power Private Limited	Subsidiary	62,747,534	155,737,466
	Gayathri Green Power Limited	Subsidiary	(398,838)	5,512
	Global Powertech Equipments Limited	Subsidiary	11,146,670	48,557,978
	Orient Bio Power Limited	Subsidiary	9,920,886	20,155,923
	Orient Green Power Company (Rajasthan) Private Limited	Subsidiary	(208,391,615)	216,018,048
	Orient Green Power Europe B.V	Subsidiary	143,554	16,837,471
	Powergen Lanka Private Limited	Subsidiary	(375,486,393)	-
	PSR Green Power Projects Private Limited	Subsidiary	60,239,327	40,515,735
	Sanjog Sugars & Eco Power Private Limited	Subsidiary	144,791,587	133,789,684
	Shriram EPC Limited	Others	1,487,343,161	(761,623,190)
	Shriram Non Conventional Energy Limited	Subsidiary	(51,532,734)	(41,934,110)
	Shriram Powergen Limited	Subsidiary	(98,804,916)	(122,828,549)
	SM Environmental Technologies Private Limited	Subsidiary	113,470,058	(93,777,445)
	Statt Orient Energy Privated Limited	Subsidiary	-	62,736,000
	Theta Wind Energy Private Limited	Subsidiary	5,200	14,125,600
	Orient Eco Energy Limited	Subsidiary	(11,581)	(22,200,573)
	Pallavi Power & Mines Limited	Subsidiary	302,868	-

Amount in ₹

Nature of Transaction	Related Subsidaries	Relationship	2012-13	2011-12
Advance subscription towards Equity Shares	Pallavi Power & Mines Limited	Subsidiary	-	20,000,000
	Powergen Lanka Private Limited	Subsidiary	-	209,223,120
	Statt Orient Energy Private Limited	Subsidiary	326,886	-
	Beta Wind Farm Private Limited	Subsidiary	1,237,115,097	2,206,266,480
Investments Made	Beta Wind Farm Private Limited	Subsidiary	176,605,000	125,641,794
	Statt Orient Energy Private Limited	Subsidiary	51,932,831	44,876,650
	SM Environmental Technologies Private Limited	Subsidiary	85,000,000	-
	Theta Wind Energy Private Limited	Subsidiary	-	100,000
	Orient Eco Energy Limited	Subsidiary	-	52,500,000
Fixed Assets purchases	Shriram EPC Limited	Others	-	96,406,697
Managerial Remuneration	Mr. T. Shivaraman, Vice-Chairman	Personnel	1,200,000	1,200,000
	Mr. P. Krishnakumar, Managing Director (Also Refer Note (ii) below)	Personnel	7,500,000	6,874,515

Nature of Transaction	Related Subsidaries	Relationship	2012-13	2011-12
Payables	Shriram EPC Limited	Others	283,287,865	1,770,631,026
	Shriram Powergen Limited	Subsidiary	34,430,753	-
	Clarion Wind Farm Private Limited	Step down Subsidiary	24,343,316	3,436,869
	Orient Eco Energy Limited	Subsidiary	705,994	694,413
	Gayathri Green Power Limited	Subsidiary	280,559	-
Receivables - Loans/Advance subscription to equity shares	Bharath Wind Farm Limited	Subsidiary	474,336,031	320,945,574
	Global Powertech Equipments Limited	Subsidiary	192,447,058	181,300,388
	Shriram Non Conventional Energy Limited	Subsidiary	277,226,048	328,758,782
	SM Environmental Technologies Private Limited	Subsidiary	213,206,748	99,736,690
	Amrit Environmental Technologies Private Limited	Subsidiary	387,797,619	279,241,401
	PSR Green Power Projects Private Limited	Subsidiary	532,147,398	471,908,071
	Sanjog Sugars & Eco Power Private Limited	Subsidiary	387,706,837	242,915,250
	Gamma Green Power Private Limited	Subsidiary	376,381,259	313,633,725
	Orient Green Power Company (Rajasthan) Private Limited	Subsidiary	120,480,636	328,872,251

Amount in ₹

Nature of Transaction	Related Subsidaries	Relationship	2012-13	2011-12
	Beta Wind Farm Private Limited	Subsidiary	7,161,750,167	5,924,635,070
	Gayathri Green Power Limited	Subsidiary	-	118,279
	Orient Green Power Europe BV	Subsidiary	19,853,955	19,710,401
	Theta Wind Energy Private Limited	Subsidiary	14,130,800	14,125,600
	Statt Orient Energy Private Limited	Subsidiary	11,130,055	62,736,000
	Shriram Powergen Limited	Subsidiary	-	64,374,163
	Orient Biopower Limited	Subsidiary	72,200,618	62,279,732
	Pallavi Power & Mines Limited	Subsidiary	25,309,928	25,007,060
	Powergen Lanka Private Limited	Subsidiary	-	375,486,393
Corporate Guarantees given	Orient Green Power Company (Rajasthan) Private Limited	Subsidiary	392,000,000	276,000,000
	Shriram Non Conventional Energy Limited	Subsidiary	300,000,000	320,000,000
	Orient Biopower Limited	Subsidiary	77,800,000	77,800,000
	Sanjog Sugars & Power Private Limited	Subsidiary	563,600,000	497,600,000
	Gamma Green Power Private Limited	Subsidiary	1,800,000,000	1,800,000,000
	VjetroElektranaCrnoBrdod.o.o, Croatia	Step down Subsidiary	750,000,000	750,000,000
	Clarion Wind Farm Private Limited	Step down Subsidiary	500,000,000	500,000,000
	Global Powertech Equipments Limited	Subsidiary	295,000,000	335,000,000
	Shriram Powergen Limited	Subsidiary	227,500,000	260,000,000
	SM Environmental Technologies Private Limited	Subsidiary	360,000,000	360,000,000
	Pallavi Power & Mines Limited	Subsidiary	437,000,000	437,000,000
	Powergen Lanka Private Limited	Subsidiary	-	615,000,000
	Bharath Wind Farm Limited	Subsidiary	285,700,000	-
	Beta Wind Farms Private Limited	Subsidiary	14,750,000,000	14,870,000,000
Corporate Guarantees taken	Shriram EPC Limited	Others	375,000,000	-

Notes:

(i). The Company accounts for costs incurred by the Related parties based on the actual invoices/debit notes raised and accruals as confirmed by such related parties. The Related parties have confirmed to the Management that as at 31 March, 2013, there are no further amounts payable to/receivable from them, other than as disclosed above.

(ii). The Ministry of Corporate Affairs has approved remuneration for Mr. P. Krishnakumar, Managing Director of an amount not exceeding ₹7,500,000 per annum. The said approval is valid for the period from 4 June 2011 to 3 June 2014.

(iii). Theta Management Consultancy Services Private Limited, a Company in which Mr. T. Shivaraman, Vice-Chairman is a majority shareholder, has pledged 13.5 million shares of OGPCL held by them in connection with a loan obtained by the Company. Also Refer Note 5.1

Note 34 Leases

(a) Operating leases:

The Company has operating lease arrangements primarily for office, the lease period of which is about 3 to 5 years. An amount of Rupees 17,242,882 (Previous Year Rupees 11,299,374) has been towards lease rental and other charges. The future expected minimum lease payments under operating leases are as given below:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Not later than one year	11,716,586	11,430,816
Later than one year but not later than five years	37,245,408	38,007,463
Later than five years	-	-
Total	48,961,994	49,438,279

(b) Finance leases:

The Company has taken certain vehicles on finance leases, the details of which are given below:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
a. Cost of asset acquired		
Cost of Vehicles acquired under Hire Purchase	1,939,586	1,939,586
Carrying value of Vehicles	1,494,615	1,673,877
b. Reconciliation between total minimum lease payments and their present value		
Total minimum lease payments	368,279	1,046,498
Less: Liability on interest account	18,137	91,304
Present value of payments	350,142	955,194
c. Year wise break up of minimum lease payments		
Upto one year	350,142	605,057
Later than one year but not later than five years	-	350,137
Later than five years		

Note 35 Earnings Per Share

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Earnings per share		
Basic and Dilutive		
Loss for the year - Rupees	(168,653,595)	(53,759,419)
Weighted average number of equity shares - Numbers	468,078,249	468,078,249
Par value per share - Rupees	10	10
Earnings per share - Basic - Rupees	(0.36)	(0.11)
Earnings per share - Diluted - Rupees	(0.36)	(0.11)

Note:

The weighted average number of equity shares used for Basic and Diluted EPS are the same since the outstanding potential equity shares as at 31 March, 2013 are anti-dilutive in nature.

Note 36 Un-hedged foreign currency exposures as at the Balance Sheet date

As at 31 March 2013:

Particulars	Currency	Amount in FCY	Amount in ₹
Loans to subsidiaries - Receivable	EURO	285,000	19,853,955
Bank balance	LKR	1,047,440	448,933

As at 31 March 2012:

Particulars	Currency	Amount in FCY	Amount in ₹
Loans to subsidiaries - Receivable	EURO	285,000	19,710,401
Loans to subsidiaries - Receivable	LKR	928,042,520	375,486,393
Bank balance	LKR	4,280,657	1,731,954

Note 37

Consequent to the receipt of the proceeds pursuant to the preferential issue, the Company has allotted 10,00,00,000 equity shares to Shriram Industrial Holdings Limited (Formerly Shriram Industrial Holdings Private Limited) (SIHL) on 6 April, 2013 resulting in SIHL holding 17.60% shares in the post preferential issue capital of the Company. Further, Company has entered into a Master Framework Agreement dated 22 February, 2013 and amendment dated 2 April, 2013 with SIHL and Shriram EPC (Singapore) PTE Limited, as per which the shares held by Shriram EPC (Singapore) PTE Limited in Orient Green Power PTE Limited, Singapore, the Company's Holding Company, is proposed to be bought by SIHL. This transaction has triggered an open offer pursuant to the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011. SIHL has acquired 7,12,69,846 equity shares of face value of ₹10 each, constituting 12.55% of the revised paid-up equity share capital of the Company, pursuant to the said open offer made to the public shareholders and is in the process of completing the formalities of the Open Offer.

Note 38

Segment information has been presented in the Consolidated financial statements as permitted by the Accounting Standard (AS 17) on Segment Reporting as notified under the Companies (Accounting Standards) Rules, 2006.

Note 39

Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year classification/disclosure.

Note 40

The Board of Directors of the Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets including long-term investments in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 30 May, 2013

For and on behalf of the Board of Directors

	T. Shivaraman Vice Chairman	P. Krishnakumar Managing Director
Place : Chennai Date : 30th May, 2013	J. Sivakumar Chief Financial Officer	T. Sivakumar Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF Orient Green Power Company Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ORIENT GREEN POWER COMPANY LIMITED** (the "Company") and its subsidiaries (the Company and its subsidiaries constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2013, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolideted Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

1. An amount of ₹361,497,945 is carried as Goodwill on consolidation in respect of four Indian subsidiary companies whose net worth has been fully/substantially eroded as at 31 March 2013 as per the audited financial statements of these entities.

   As stated in Note 33(b) of the consolidated financial statements, the Company has carried out an evaluation of the Goodwill in respect of these subsidiaries taking into account the expected cash flows based on future business projections and the Management plans for reviving the operations of these subsidiaries. Based on the same duly considering the long term nature of the investments in these subsidiaries, the nature of the industry, gestation period, etc. no provision for impairment has been considered necessary by the Management in respect of the carrying amount of Goodwill.

2. Attention is invited to Note 4.2 of the consolidated financial statements regarding the accounting for carbon credits and the adjustments made to the Revenue Reserves as at 1 April 2012 for ₹313,946,060 relating to the Self-Generated Certified Emission Reductions (CERs) recognized as at 31 March 2012 by subsidiaries, based on the transitional provisions of the Guidance Note on Accounting for Self-Generated Certified Emission Reductions issued by the Institute of Chartered Accountants of India which is applicable effective 1 April 2012. This matter has been emphasized by the auditors of these subsidiaries in their respective audit reports.

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

Other Matter

We did not audit the financial statements of 25 subsidiaries (including step down subsidiaries), whose financial statements reflect total assets (net) of ₹32,169,556,033 as at 31 March, 2013, total revenues of ₹4,105,105,655 and net cash flows amounting to ₹316,551,810 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Registration No.008072S)

Sriraman Parthasarathy
Partner
(Membership No. 206834)

Place: Chennai
Date: 30th May, 2013

Consolidated Balance Sheet as at 31 March, 2013

Amount in ₹

	Particulars	Note No.	As at 31 March, 2013	As at 31 March, 2012
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	4,680,782,490	4,680,782,490
	(b) Reserves and surplus	4	6,208,385,703	7,206,359,845
			10,889,168,193	11,887,142,335
2	Share Application Money Pending Allotment	30	1,523,003,086	-
3	Minority Interest		295,116,543	312,143,862
4	Non-current liabilities			
	(a) Long-term borrowings	5	15,871,644,345	10,012,460,618
	(b) Deferred tax liabilities (net)	6	109,838,947	83,769,152
	(c) Other long-term liabilities	7	2,541,248	25,078,262
	(d) Long-term provisions	8	14,341,317	6,157,529
			15,998,365,857	10,127,465,561
5	Current liabilities			
	(a) Short term borrowings	9	1,034,963,149	1,760,505,571
	(b) Trade payables	10	472,733,261	520,610,775
	(c) Other current liabilities	11	5,131,261,404	10,941,944,628
	(d) Short term provisions	12	11,151,527	11,608,350
			6,650,109,341	13,234,669,324
	TOTAL		35,355,763,020	35,561,421,082
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	13		
	(i) Tangible assets		19,611,579,829	18,152,184,531
	(ii) Intangible assets		137,100,682	62,651,192
	(iii) Capital work-in-progress		9,826,827,954	9,506,514,701
			29,575,508,465	27,721,350,424
	(b) Goodwill on consolidation	33	511,856,465	480,389,568
	(c) Non-current investments	14	129,600	129,600
	(d) Long-term loans and advances	15	2,560,862,256	4,830,370,158
	(e) Other non current assets	16	164,986,871	-
			2,725,978,727	4,830,499,758
2	Current assets			
	(a) Current investments	17	2,783,742	581,446
	(b) Inventories	18	186,416,368	219,452,538
	(c) Trade receivables	19	794,326,146	684,386,723
	(d) Cash and cash equivalents	20	725,811,140	864,974,099
	(e) Short-term loans and advances	21	449,146,625	334,338,841
	(f) Other current assets	22	383,935,342	425,447,685
			2,542,419,363	2,529,181,332
	TOTAL		35,355,763,020	35,561,421,082
	See accompanying notes forming part of the consolidated financial statements	1&2		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sriraman Parthasarathy
Partner

T. Shivaraman
Vice Chairman

P. Krishnakumar
Managing Director

Place : Chennai
Date : 30th May, 2013

J. Sivakumar
Chief Financial Officer

T. Sivakumar
Company Secretary

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

Amount in ₹

	Particulars	Note No.	For the Year ended 31 March, 2013	For the Year ended 31 March, 2012
1	Revenue from operations (net)	23	4,354,503,494	2,504,451,218
2	Other income	24	241,727,764	320,845,819
3	Total revenue (1+2)		4,596,231,258	2,825,297,037
4	Expenses			
	(a) Cost of materials consumed	25	1,142,273,017	872,510,261
	(b) Employee benefits expense	26	222,841,120	185,249,420
	(c) Finance costs	27	1,891,719,903	1,075,805,119
	(d) Depreciation and amortisation expense	13	1,100,203,783	660,828,552
	(e) Other expenses	28	1,120,103,224	835,462,839
	Total expenses		5,477,141,047	3,629,856,191
5	(Loss) before tax and exceptional items (3 - 4)		(880,909,789)	(804,559,154)
6	Exceptional Items	36	(134,321,316)	-
7	(Loss) before tax (5 - 6)		(746,588,473)	(804,559,154)
8	Tax expense:			
	(a) Current tax		21,806,929	(12,002,398)
	(b) Less: MAT Credit		(18,555,170)	-
	(c) Net current tax expense		3,251,759	(12,002,398)
	(d) MAT Credit reversed - relating to prior years		41,202,142	-
	(e) Deferred Tax		26,069,795	25,958,890
			70,523,696	13,956,492
9	(Loss) after tax for the year (7-8)		(817,112,169)	(818,515,646)
10	Minority Share of Loss		(118,233,584)	(125,731,593)
11	(Loss) after tax for the year (9-10)		(698,878,585)	(692,784,053)
12	Earnings per share of ₹10/- each (Refer Note 41)			
	(a) Basic		(1.49)	(1.48)
	(b) Diluted		(1.49)	(1.48)
	See accompanying notes forming part of the consolidated financial statements	1&2		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

Sriraman Parthasarathy
Partner

T. Shivaraman
Vice Chairman

P. Krishnakumar
Managing Director

Place : Chennai
Date : 30th May, 2013

J. Sivakumar
Chief Financial Officer

T. Sivakumar
Company Secretary

Consolidated Cash Flow Statement for the year ended 31 March, 2013

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
A. Cash flow from operating activities		
(Loss) before tax	(746,588,473)	(804,559,154)
Adjustments for:		
Depreciation and amortisation expense	1,100,203,783	660,828,552
Loss on sale of fixed assets	1,930	(45,067,353)
Trade Receivables and Loans and advances written off	54,391,896	34,708,932
Amounts written off on abandonment of projects (Refer Note 28(i))	29,756,492	-
Provision for doubtful trade receivables	23,333,543	-
Finance costs	1,891,719,903	1,075,805,119
Interest income	(66,187,572)	(148,251,347)
Dividend income	(32,400)	(25,343,295)
Unrealised Loss on Foreign Exchange – Net	62,707	(20,774,043)
Net gain on sale of current investments	(374,296)	(52,490,682)
Net gain on disposal of stake in subsidiaries	(134,321,316)	-
Deferred income	(1,713,102)	(2,669,424)
Operating profit before working capital/other changes	2,150,253,095	672,187,305
Changes in working capital/others:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	33,036,170	(5,586,365)
Trade receivables	(133,272,966)	(326,261,813)
Short-term loans and advances	(111,294,440)	(900,795,002)
Long-term loans and advances	(30,391,135)	(167,306,704)
Other Current assets	(273,383,986)	(121,911,139)
Other Non-current assets	(164,986,871)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(47,877,514)	244,898,021
Other current liabilities	(1,757,955,819)	2,264,790,342
Other long-term liabilities	(22,537,015)	(617,317)
Long-term provisions	8,183,788	1,940,634
Short-term provisions	(456,823)	(20,811,469)
Cash (used in) operations	(350,683,516)	1,640,526,493
Net income tax (paid)	(57,440,168)	(18,308,355)
Net cash flow (used in) / from operating activities (A)	(408,123,684)	1,622,218,138
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital work in progress and interest capitalised	(6,081,148,887)	(10,581,061,677)
Proceeds from sale of fixed assets	188,432,434	283,530,191
Bank balances not considered as Cash and cash equivalents	332,250,730	(498,901,365)
Proceeds from sale of investments net of purchase of investments	191,245,417	2,976,921,102

Consolidated Cash Flow Statement for the year ended 31 March, 2013

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Interest received	67,137,841	169,103,822
Dividend received	32,400	25,343,295
Net cash flow (used in) investing activities (B)	(5,302,050,065)	(7,625,064,632)
C. Cash flow from financing activities		
Share application money received (Also Refer Note 30)	1,523,003,086	-
Amount invested by minorities	101,206,265	109,812,878
Investment in share application money by minorities	-	5,266,400
Net Proceeds from long-term borrowings	6,699,501,548	3,963,129,497
Net Repayment of short-term borrowings	(991,130,287)	-
Net Proceeds of short term borrowings from related parties	283,287,865	1,575,687,075
Finance cost	(1,712,544,250)	(1,075,805,119)
Net cash flow from financing activities (c)	5,903,324,227	4,578,090,731
Net increase /(decrease) in Cash and cash equivalents (A+B+C)	193,150,478	(1,424,755,763)
Cash and cash equivalents at the beginning of the year	290,020,954	1,714,776,717
Cash and cash equivalents at the end of the year	483,171,432	290,020,954
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 20)	725,811,140	864,974,099
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements	242,702,415	574,953,145
Add: Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	62,707	-
Cash and cash equivalents at the end of the year	483,171,432	290,020,954

Note:

1. Capital expenditure includes adjustments for current liabilities relating to acquisition of fixed assets to the extent identified.
2. See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Sriraman Parthasarathy
Partner

Place : Chennai
Date : 30th May, 2013

For and on behalf of the Board of Directors

T. Shivaraman
Vice Chairman

P. Krishnakumar
Managing Director

J. Sivakumar
Chief Financial Officer

T. Sivakumar
Company Secretary

Notes forming part of the consolidated financial statements for the year ended 31 March, 2013

1 Corporate information

Orient Green Power Company Limited (the Company) and its subsidiaries (together "the group") is engaged in the business of generation and sale of power using renewable energy sources like biomass, mini hydel and wind.

2 Basis of Consolidation and Significant accounting policies

2.1Basis of Accounting

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except in respect of accounting for Certified Emission Reductions (CERs) as stated in Note 4.2 below.

2.2 Principles of consolidation

The consolidated financial statements relate to the Company and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2013.

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill on consolidation' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve on consolidation' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.

Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

Goodwill arising on consolidation is not amortised but tested for impairment.

In case of sale by the Company of full or part of its investment in a subsidiary to a third party, gains or losses representing the difference between the sale consideration and the proportionate net carrying value at the time of sale are recognised in the Statement of Profit and Loss as and when such sale is made. Gains or losses arising from dilution of interest by a subsidiary by way of issue of shares to third parties are recorded as capital reserve on consolidation. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances with certain exceptions as mentioned below and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The details of subsidiary companies that have been considered in the preparation of the consolidated financial statements are given below:

	Name of the Subsidiary	Country of incorporation	Relationship	Effective Ownership Interest	
				2012-13	2011-12
1	Pallavi Power and Mines Limited	India	Subsidiary	51.00%	59.69%
2	Global Powertech Equipments Limited	India	Subsidiary	100.00%	100.00%
3	Amrit Environmental Technologies Private Limited	India	Subsidiary	100.00%	100.00%
4	SM Environmental Technologies Private Limited	India	Subsidiary	100.00%	100.00%

	Name of the Subsidiary	Country of incorporation	Relationship	Effective Ownership Interest	
				2012-13	2011-12
5	PSR Green Power Projects Private Limited	India	Subsidiary	60.94%	86.94%
6	Shriram Non Conventional Energy Limited	India	Subsidiary	100.00%	100.00%
7	Orient Bio Power Limited	India	Subsidiary	51.00%	51.00%
8	Bharath Windfarm Limited	India	Subsidiary	100.00%	100.00%
9	Clarion Wind Farm Private Limited	India	Subsidiary of Bharat Windfarm Limited	67.57%	66.16%
10	Sanjog Sugars and Eco Power Private Limited	India	Subsidiary	83.92%	92.21%
11	Shriram Powergen Limited	India	Subsidiary	100.00%	100.00%
12	Beta Wind Farm Private Limited	India	Subsidiary	74.00%	73.87%
13	Orient Green Power Company (Rajasthan) Private Limited	India	Subsidiary	100.00%	100.00%
14	Gamma Green Power Private Limited	India	Subsidiary	66.80%	66.99%
15	Orient Eco Energy Limited	India	Subsidiary	60.00%	60.00%
16	Gayathri Green Power Limited	India	Subsidiary	100.00%	100.00%
17	Powergen Lanka Private Limited (till 15 July, 2012)	Sri Lanka	Subsidiary	Refer Note 36	90.00%
18	Orient Green Power Europe B.V.	Netherlands	Subsidiary	100.00%	100.00%
19	Vjetro Elektrana Crno Brdo d.o.o.,	Croatia	Subsidiary of Orient Green Power Europe B.V.	51.00%	51.00%
20	Orient Green Power Austria GmbH, Austria	Austria		100.00%	100.00%
21	OGPCZ s.r.o., Czech Republic	Czech Republic		100.00%	100.00%
22	Orient Green Power d.o.o.	Macedonia		64.00%	64.00%
23	Statt Orient Energy (Private) Limited	Sri Lanka	Subsidiary	90.00%	90.00%
24	Pennant Penguin Dendro Power Private Limited	Sri Lanka	Subsidiary of Statt Orient Energy (Private) Limited	90.00%	N/A
25	Theta Wind Energy Private Limited	India	Subsidiary	100.00%	100.00%

2.3 Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Inventories

Raw materials and stores and spares are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all direct cost incurred in bringing such inventories to their present location and condition.

Due allowance is made to the carrying amount of inventory based on Management's assessment/technical evaluation and past experience of the Group duly taking into account its age, usability, obsolesence, expected realisable value, etc.

Stores, consumables and chemicals and Windmill spares are valued at lower of cost and net realisable value. Cost is determined on weighted average basis. Inventories of CERs are recognized at lower of cost or net realizable value. Also Refer Note 4.2 and Note 34.

2.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.7 Depreciation and amortisation

Depreciation on fixed assets is provided pro-rata for the periods of use on the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in respect of certain assets mentioned below which are provided for at the rates based on the estimated useful lives of the assets, as determined by the Management.

i) Mobile phones are depreciated over a period of 2 years.

ii) Leasehold improvements which are depreciated over the lease period or 5 years, whichever is lower. Individual assets costing less than ₹5,000/- each have been depreciated in full in the year of addition.

Intangible assets are amortized over its estimated useful life or 10 years, whichever is lower.

Certain fixed assets are treated as Continuous Process Plants based on technical evaluation done by the Management and are depreciated as per rates prescribed in Schedule XIV to the Companies Act, 1956.

Depreciation is accelerated on fixed assets, based on their condition, usability, etc. as per the technical estimates of the Management, where necessary.

2.8 Revenue recognition

Revenue from the sale of power is recognised on the basis of the number of units of power exported in accordance with joint meter readings undertaken on a monthly basis by representatives of the State Electricity Board and the Group at rates agreed upon with customers.

Income from CERs is initially recognized on credit by the United Nations Framework Convention on Climate Change (UNFCCC) in accordance with the Guidance Note on Accounting for Self-generated Certified Emission Reductions. The difference between the amount recognized initially and the amount realized ultimately on sale of CERs are accounted as income as and when the sale happens. Also Refer Note 4.2.

Income arising from REC is initially recognised in respect of the number of units of power exported at the minimum expected realisable value, determined based on the rates specified under the relevant regulations. The difference between the amount recognised initially and the amount realised on sale of such REC's at the Power Exchange are accounted for as and when such sale happens.

Income from services is recognized upon rendering services, in accordance with the terms of contract.

2.9 Other income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is accounted for when the right to receive it is established.

2.10 Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable) and includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till commissioning of the project. Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.11 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

2.12 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Group and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

Consolidation of subsidiaries situated in foreign countries

For the purpose of consolidation of subsidiaries situated in foreign countries, other than those whose operations are integral in nature (which are translated using the same principles and procedures as those of the Company), income and expenses are translated at average exchange rates and the assets and liabilities are stated at closing exchange rates. The net impact of such change is accumulated under foreign currency translation reserve under Reserves and surplus. On the disposal of a non-integral subsidiary, the cumulative amount of the exchange differences which have been deferred and which relate to that subsidiary are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised. When there is a change in the classification of a subsidiary, the translation procedures applicable to the revised classification are applied from the date of change in the classification.

2.13 Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants/subsidies will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

Other government grants and subsidies which are of revenue nature are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.14 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.15 Employee benefits

Defined contribution plans

The Group's State Governed provident fund scheme, Employee State Insurance scheme and Employee pension scheme are considered as defined contribution plans and expenses are recognized in the Statement of Profit and Loss based on the amount of contribution required to be made.

Defined benefit plans

The Group accrues for liability towards Gratuity which is a defined benefit plan. The present value of obligation under such defined benefit plans is determined based on actuarial valuation as at the balance sheet date, using the Projected Unit Credit Method.

Actuarial gains and losses are recognized in the statement of profit and loss in the period in which they occur.

Long term employee benefits

The Group accounts for its liability towards long term compensated absences based on the actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method.

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the Balance Sheet date, including short term compensated absences, are recognized as an expense as per the Group's scheme based on expected obligations on an undiscounted basis.

2.16 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.17 Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.18 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis. Where the Group as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

2.19 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.20 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to overseas subsidiaries is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward of losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

The Group offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.

2.21 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.22 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

2.23 Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.24 Derivative Contracts

The Group enters into derivative contracts in the nature of foreign currency swaps, currency options, forward contracts etc. with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated in foreign currency transactions and translations. Refer Note 2.12 above. Other derivative contracts are marked to market and losses are recognized in the statement of profit and loss. Gains arising on the same are not recognized until realised on grounds of prudence.

Note 3: Share capital

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amount in ₹	Number of shares	Amount in ₹
(a) Authorised Equity shares of ₹10 each with voting rights	600,000,000	6,000,000,000	600,000,000	6,000,000,000
(b) Issued Equity shares of ₹10 each with voting rights	468,078,249	4,680,782,490	468,078,249	4,680,782,490
(c) Subscribed and fully paid up Equity shares of ₹10 each with voting rights	468,078,249	4,680,782,490	468,078,249	4,680,782,490
Total	468,078,249	4,680,782,490	468,078,249	4,680,782,490

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue / Buy Back	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2013			
- Number of shares	468,078,249	-	468,078,249
- Amount in Rupees	4,680,782,490		4,680,782,490
Year ended 31 March, 2012			
- Number of shares	468,078,249	-	468,078,249
- Amount in Rupees	4,680,782,490		4,680,782,490

ii) Terms and Rights attached to equity shares

a). The Company has only one class of equity shares having a par value of ₹10 each. Each shareholder of equity shares is entitled to one vote per share. Dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Dividend amounts, if any, will be paid in Indian Rupees.

b). Repayment of capital will be in proportion to the number of equity shares held.

(iii) Details of shares held by the holding company

Particulars	Equity shares with voting rights
	Number of shares
As at 31 March, 2013	
Orient Green Power Pte Ltd, Singapore, the Holding Company	262,063,624
As at 31 March, 2012	
Orient Green Power Pte Ltd, Singapore, the Holding Company	262,063,624

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights:				
Orient Green Power Pte Ltd, Singapore, the holding company	262,063,624	55.94	262,063,624	55.94

(v) Aggregate number and class of shares allotted as fully paid up bonus shares for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares	
	As at 31 March, 2013	As at 31 March, 2012
Equity shares with voting rights		
Fully paid up by way of bonus shares issued in FY 2009-10	235,389,688	235,389,688

(vi) Preferential Allotment of Equity Shares and Share application money

The Board of Directors of the Company, at their meeting held on 22 February, 2013, approved the issue of 100,000,000 Equity Shares of ₹10 each at a price of ₹15 per equity share (including premium of ₹5 per share) on preferential basis under Section 81(1A) of the Companies Act 1956, to Shriram Industrial Holdings Limited (Formerly Shriram Industrial Holdings Private Limited), a company belonging to the promoter group, and the shareholders approval in respect of the same was obtained through a postal ballot on 26 March, 2013. Also Refer Note 30. Such Preferential shares shall rank pari passu in all respects including, as to dividend, with existing fully paid up equity shares of face value of ₹10 each and shall also be subject to lock-in, in accordance with the provisions of Issue of Share Capital and Disclosure Regulations (ICDR) of the Securities and Exchange Board of India.

Pursuant to the same, the Company received an amount of ₹1,500,000,000 as at 31 March, 2013 and the Company has allotted the equity shares on a preferential basis, subsequent to the year end. Also Refer Note 42.

Note 4 Reserves and Surplus

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Capital reserve		
Opening balance	34,041,716	22,011,140
Add: Additions during the year (Refer Note 4.1 below)	17,700,000	14,700,000
Less: Utilised / transferred during the year (Refer Note 23(b))	1,713,102	2,669,424
Closing balance	50,028,614	34,041,716
(b) Capital Reserve on Consolidation		
Opening balance	1,207,517,117	1,212,208,354
Add: Additions during the year	11,789,559	-
Less: Transferred/Adjusted during the year	-	4,691,237
Closing balance	1,219,306,676	1,207,517,117
(c) Securities premium account		
Opening balance	6,709,423,848	6,709,423,848
Add : Premium on shares issued during the year	-	-
Less : Utilised during the year	-	-
Closing balance	6,709,423,848	6,709,423,848
(d) Foreign currency translation reserve		
Opening balance	5,212,398	10,545,748
Less: Effect of foreign exchange rate variations during the year	12,925,954	5,333,350
Closing balance	(7,713,556)	5,212,398
(e) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(749,835,234)	(57,051,181)
Add: (Loss) for the year	(698,878,585)	(692,784,053)
Add/(less): Adjustment of CER (Refer Note 4.2 below)	(313,946,060)	-
Closing balance	(1,762,659,879)	(749,835,234)
Total	6,208,385,703	7,206,359,845

Contd..

Note

4.1. Additions to capital reserve represents subsidy granted by the Ministry of New and Renewable Energy (MNRE), Government of India, for two of the Bio Mass projects established by the Group, accounted for in accordance with its accounting policy. The subsidy amount was paid by way of adjustment to the loans obtained by the Group. As per the terms of the subsidy, in case the project for which the subsidy is given is not in operation or the project is abandoned for any reason whatsoever and if the Banks enforce security and files application for recovery of its dues, the above subsidy amount shall be refunded.

4.2. In line with the Guidance Note on Accounting for Self-Generated Certified Emission Reductions (CERs) issued by the Institute of Chartered Accountants of India which is applicable effective 1 April 2012, the group has changed its accounting policy for recognizing revenues from CERs to fall in line with the Guidance Note and has, accordingly, not recognized CERs which are yet to be credited pending final certification by UNFCCC. Had the group followed the earlier policy of recognizing CERs on generation, the Loss before tax for the year ended 31 March 2013 would have been lower by ₹77,717,926 and Loss after tax for the year ended 31 March 2013 would have been lower by ₹77,717,926.

With respect to the net amount of CERs already recognized as receivable as at 31 March 2012 of ₹313,946,060 as per the accounting policy followed earlier, the subsidiaries have adjusted such amounts to the opening Revenue Reserves as at 1 April 2012 based on the transitional provisions of the said Guidance Note.

Note 5 Long-term borrowings

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Term loans		
(i) From banks		
Secured	11,888,323,935	7,131,156,922
Unsecured	792,892,182	849,861,292
(ii) From other parties		
Secured	1,723,484,800	2,009,710,614
Unsecured	1,439,045,082	-
(b) Loans taken from related parties (Refer Note 39)		
Unsecured	27,778,635	21,056,725
(c) Long-term maturities of finance lease obligations (Refer Note 40)		
Secured	119,711	675,065
Total	15,871,644,345	10,012,460,618

Note 6 Deferred Tax Liabilities (Net)

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Deferred tax (liability) / asset of the Group		
(a). Tax effect of items constituting deferred tax liabilities		
Difference between the depreciation as per Books of Account and Income Tax Act, 1961	2,100,078,278	2,188,657,634
(b). Tax effect of items constituting deferred tax assets		
Employee benefits and others	13,020,103	9,119,312
Unabsorbed depreciation and carry forward of losses	1,977,219,228	2,095,769,170
Net deferred tax liability - Total	109,838,947	83,769,152

The entities in the Group have recognized deferred tax asset on unabsorbed depreciation and brought forward losses to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income tax.

Note 7 Other long-term liabilities

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a). Leasehold Liability	2,541,248	25,078,262
Total	2,541,248	25,078,262

Note 8 Long-term provisions

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a). Provision for employee benefits:		
- Provision for gratuity (Refer Note 32.2)	7,840,492	6,157,529
- Provision for compensated absences (Refer Note 32.3)	6,500,825	-
Total	14,341,317	6,157,529

Note 9 Short-term borrowings

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a). Loans repayable on demand		
(i) From banks		
Secured	741,197,589	221,006,759
Unsecured	10,477,695	252,335,864
(ii) From other parties		
Secured	-	1,068,897,548
Unsecured	-	218,265,400
(b). Loans taken from related parties - Unsecured (Refer Note 39)	283,287,865	-
Total	1,034,963,149	1,760,505,571

Note 10 Trade payables

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Acceptances	-	-
(b) Other than Acceptances	472,733,261	520,610,775
Total	472,733,261	520,610,775

Note 11 Other current liabilities

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Current maturities of long-term debt (Refer Note 11.2 below)	2,524,693,734	1,684,326,214
(b) Current maturities of finance lease obligations (Refer Note 40)	555,359	605,057
(c) Interest accrued but not due borrowings	127,521,492	8,373,725
(d) Interest accrued and due on borrowings (Refer Note 11.2 below)	148,600,039	88,572,152
(e) Other payables		
(i) Statutory remittances	117,335,379	44,559,112
(ii) Payables on purchase of fixed assets	1,996,620,886	7,048,241,767
(iii) Electricity Tax payable (See Note 11.1 below)	98,933,037	40,733,550
(iv) Contractually reimbursable expenses	-	25,362,419
(v) Advances from Related Parties (Refer Note 39)	-	1,778,742,816
(vi) Others		
- Advance received towards insurance claim	-	30,000,000
- Advances from Other Parties	4,326,308	25,038,047
- Payable towards investments	25,000,000	45,600,000
- Carbon Emission Reduction Liability (Refer Note 4.2)	-	30,937,623
- Advances from customers	27,451,100	-
- Advance for Share Application Money	60,224,070	90,852,146
Total	5,131,261,404	10,941,944,628

11.1. Tamil Nadu Tax on Consumption & Sale of Electricity Act 2003 requires the companies to pay Electricity tax at the specified rates in respect of all the third party sales made. Such levy under the Act has been represented by the Indian Biomass Association to the concerned authorities for waiver and the Group has also filed a petition before the Honourable Supreme Court of India disputing the levy. Pending the decision, the provision of ₹98,933,037 (31 March, 2012: ₹40,733,550) has been made on grounds of prudence in respect of third party sales made and included as part of statutory remittances payable.

11.2. There have been certain delays in the repayments of principal and interest amounts in respect of borrowings from Banks by the Company/some of its subsidiaries. The Group has repaid ₹43,644,058 subsequent to the Balance Sheet date and has also applied for a reschedulement of the terms with some of the Banks. The Group is hopeful of a favourable outcome in respect of the same.

Note 12 Short-term provisions

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Provision for tax (net of advance taxes)	7,922,854	7,333,587
(b) Provision for compensated absences	3,228,673	4,274,763
Total	11,151,527	11,608,350

Note 13 Fixed assets - Current Year

Amount in ₹

A. Tangible assets	Gross block			
	Balance as at 1 April, 2012	Additions / Other Adjustments	Disposals/Other Adjustments	Balance as at 31 March, 2013
(a) Land - Freehold	1,432,127,543	55,740,334	-	1,487,867,877
(b) Buildings	443,010,265	179,915	-	443,190,180
(c) Plant and Equipment	17,505,567,552	2,596,182,940	180,700,937	19,921,049,555
(d) Crawler Machine	32,975,034	-	-	32,975,034
(e) Electrical Installations	109,590,375	58,120,412	-	167,710,787
(f) Furniture and Fixtures	31,688,754	499,982	3,464,895	28,723,841
(g) Vehicles				
Owned	15,411,377	8,359,023	-	23,770,400
Taken under finance lease (Refer Note (ii) below)	2,908,512	-	-	2,908,512
(h) Office equipments	12,348,303	473,825	6,934,945	5,887,183
(i) Computers	11,168,943	3,513,061	-	14,682,004
(j) Leasehold Improvements	13,700,673	-	-	13,700,673
Total	19,610,497,331	2,723,069,492	191,100,777	22,142,466,046

Note 13 Fixed assets - Current Year

Amount in ₹

A. Tangible assets	Accumulated depreciation and amortisation				Net block	
	Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets / Other Adjustments	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
(a) Land	-	-	-	-	1,487,867,877	1,432,127,543
(b) Buildings	29,431,761	15,362,499	-	44,794,260	398,395,920	413,578,504
(c) Plant and Equipment	1,397,475,920	1,030,854,609	3,658,217	2,424,672,312	17,496,377,243	16,108,091,632
(d) Crawler Machine	900,597	5,492,994	-	6,393,591	26,581,443	32,074,437
(e) Electrical Installations	12,912,295	6,275,053	-	19,187,348	148,523,439	96,678,080
(f) Furniture and Fixtures	6,271,153	5,247,654	1,117,533	10,401,274	18,322,567	25,417,601
(g) Vehicles						
Owned	2,993,499	8,829,543	-	11,823,042	11,947,358	12,417,878
Taken under finance lease (Refer Note (ii) below)	438,090	271,310	-	709,400	2,199,112	2,470,422
(h) Office equipments	1,271,799	338,708	100,084	1,510,423	4,376,760	11,076,504
(i)Computers	4,085,223	2,041,810	-	6,127,033	8,554,971	7,083,720
(j)Leasehold Improvements	2,532,463	2,735,071	-	5,267,534	8,433,139	11,168,210
Total	1,458,312,800	1,077,449,251	4,875,834	2,530,886,217	19,611,579,829	18,152,184,531

(i) All Tangible assets are owned by the Group except those stated in the Note (ii) below

(ii) Details of assets acquired under finance lease:

Amount in ₹

Particulars	Gross block		Net block	
	31 March, 2013	31 March, 2012	31 March, 2013	31 March, 2012
Vehicles	2,908,512	2,908,512	2,199,112	2,470,422

Note 13 Fixed assets - Current Year (contd.)

Amount in ₹

B. Intangible assets	Gross block			
	Balance as at 1 April, 2012	Additions/ Adjustments	Disposals/ Adjustments	Balance as at 31 March, 2013
(a) Technical Knowhow	13,071,000	121,411,811	931,811	133,551,000
(b) Software	4,775,990	-	-	4,775,990
(c) Leasehold Rights	52,352,075	-	26,658,926	25,693,149
Total	70,199,065	121,411,811	27,590,737	164,020,139

Amount in ₹

Intangible assets	Accumulated depreciation and amortisation				Net block	
	Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets/Adjustments	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
(a) Technical Knowhow	2,940,975	20,650,324	151,599	23,439,700	110,111,300	10,130,025
(b) Software	788,236	945,883	-	1,734,119	3,041,871	3,987,754
(c) Leasehold Rights	3,818,662	1,158,325	3,231,349	1,745,638	23,947,511	48,533,41
Total	7,547,873	22,754,532	3,382,948	26,919,457	137,100,682	62,651,192

Total Depreciation and amortisation expense for the year

Amount in ₹

Particulars	For the year ended 31 March, 2013
Tangible Assets	1,077,449,251
Intangible Assets	22,754,532
Total	1,100,203,783

Note 13 Fixed assets - Previous Year

Amount in ₹

C. Tangible assets	Gross block					
	Balance as at 1 April, 2011	Additions/ Adjustments	Disposals/ Adjustments	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2012
(a) Land - Freehold	1,088,680,879	352,702,114	3,000,000	-	(6,255,450)	1,432,127,543
(b) Factory Buildings	229,930,832	197,672,048	-	10,207,385	5,200,000	443,010,265
(c) Plant and Equipment	7,895,073,111	9,670,266,643	60,664,217	143,528,600	(142,636,585)	17,505,567,552
(d) Crawler Machine	-	32,975,034	-	-	-	32,975,034
(e) Electrical Installations	-	109,590,375	-	-	-	109,590,375
(f) Furniture and Fixtures	7,964,975	23,723,779	-	-	-	31,688,754
(g) Vehicles						
Owned	10,493,859	4,161,768	-	-	755,750	15,411,377
Taken under finance lease (Refer Note (ii) below)	3,616,534	-	708,022	-	-	2,908,512
(h) Office equipment	2,621,990	9,726,313	-	-	-	12,348,303
(i) Computers	9,085,018	2,179,425	95,500	-	-	11,168,943
(j) Leasehold improvements	-	13,700,673	-	-	-	13,700,673
Total	9,247,467,198	10,416,698,172	64,467,739	153,735,985	(142,936,285)	19,610,497,331

Note 13 Fixed assets - Previous Year

Amount in ₹

C. Tangible assets	Accumulated depreciation and amortisation					Net block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Land	-	-	-	-	-	1,432,127,543	1,088,680,879
(b) Factory Buildings	16,386,311	13,045,450	-	-	29,431,761	413,578,504	213,544,521
(c) Plant and Equipment	779,538,460	632,899,822	4,744,519	(10,217,843)	1,397,475,920	16,108,091,632	7,115,534,651
(d) Crawler Machine	-	-	-	900,597	900,597	32,074,437	-
(e) Electrical Installations	-	-	-	12,912,295	12,912,295	96,678,080	-
(f) Furniture and Fixtures	1,702,263	4,568,890	-	-	6,271,153	25,417,601	6,262,712
(g) Vehicles							
Owned	1,173,583	1,826,469	-	(6,553)	2,993,499	12,417,878	9,320,276
Taken under finance lease (Refer Note (ii) below)	172,883	324,209	59,002	-	438,090	2,470,422	3,443,651
(h) Office equipment	585,435	686,364	-	-	1,271,799	11,076,504	2,036,555
(i) Computers	2,353,115	1,766,922	34,814	-	4,085,223	7,083,720	6,731,903
(j) Leasehold improvements	-	2,532,463	-	-	2,532,463	11,168,210	-
Total	801,912,050	657,650,589	4,838,335	3,588,496	1,458,312,800	18,152,184,531	8,445,555,148

(i) All Tangible assets are owned by the Company except those stated in Note (ii) below

(ii) Details of assets acquired under hire purchase agreements:

Amount in ₹

Particulars	Gross block		Net block	
	31 March, 2012	31 March, 2011	31 March, 2012	31 March, 2011
Vehicles	2,908,512	3,616,534	2,470,422	3,443,651

Note 13 Fixed assets - Previous Year (contd.)

Amount in ₹

D. Intangible assets	Gross block				
	Balance as at 1 April, 2011	Additions	Disposals	Other adjustments	Balance as at 31 March, 2012
(a) Technical know how	13,826,750	-	-	(755,750)	13,071,000
(b) Software	-	4,775,990	-	-	4,775,990
(c) Leasehold Rights	51,353,164	-	-	998,911	52,352,075
Total	65,179,914	4,775,990	-	243,161	70,199,065

Amount in ₹

Intangible assets	Accumulated depreciation and amortisation				Net block	
	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets/ Adjustments	Balance as at 31 March, 2012	Balance as at 31 March, 2012	Balance as at 31 March, 2011
(a) Technical know how	1,633,875	1,307,100	-	2,940,975	10,130,025	12,192,875
(b) Software	-	788,236	-	788,236	3,987,754	-
(c) Leasehold Rights	2,736,035	1,082,627	-	3,818,662	48,533,413	48,617,129
Total	4,369,910	3,177,963	-	7,547,873	62,651,192	60,810,004

Total Depreciation/Amortisation Expense for the year:

Amount in ₹

Particulars	For the year ended 31 March, 2012
Tangible Assets	657,650,589
Intangible Assets	3,177,963
Total	660,828,552

Note 14 Non-current investments

Amount in ₹

Particulars	As at 31 March, 2013			As at 31 March, 2012		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Investments (At cost):						
Non-Trade						
Investment in equity instruments :						
12,960 equity shares of ₹10						
each in Indian Overseas Bank	129,600	-	129,600	129,600	-	129,600
Total	129,600	-	129,600	129,600	-	129,600
Market value of quoted investments			844,992			1,222,128

Note 15 Long-term loans and advances

(Unsecured, considered good, unless otherwise stated)

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Capital advances (includes ₹49,749,329 paid to Related Parties (As at 31 March 2012 ₹ Nil)) (Refer Note 39)	2,022,745,215	4,220,161,783
(b) Security deposits	330,194,321	292,533,625
(c) Loans and advances to related parties (Refer Note 39)	27,168,855	-
(d) Advance subscription towards Equity Shares	-	99,029,439
(e) Loans and advances to others (Refer Note 15.1 below)	53,471,508	53,471,508
(f) Advance income tax (net of provisions)	54,840,679	35,646,738
(g) MAT credit entitlement	41,743,315	64,390,287
(h) Others	30,698,363	65,136,778
Total	2,560,862,256	4,830,370,158

Note

15.1. This amount represents amounts paid to Statt Agra Ventures Private Limited and Statt Green Power Private Limited for the purposes of setting up Wind projects in Srilanka. The Company is in the process of obtaining the relevant approvals for converting these advances into investments.

Note 16 Other non current assets

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Unamortised upfront fees	118,211,136	-
(b) Derivative Asset	29,025,000	-
(c) Unbilled Revenue	17,750,735	-
Total	164,986,871	-

Note 17 Current investments

Amount in ₹

Particulars	As at 31 March, 2013			As at 31 March, 2012		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Other current investments (At lower of cost and fair value, unless otherwise stated)						
(a) Investment in mutual funds	-	2,783,742	2,783,742	-	581,446	581,446
	-	2,783,742	2,783,742	-	581,446	581,446
Aggregate amount of quoted investments	-	-	-	-	-	-
Aggregate market value of listed and quoted investments	-	-	-	-	-	-
Aggregate amount of unquoted investments	-	2,783,742	2,783,742	-	581,446	581,446

Note 18 Inventories

(At lower of cost and net realisable value)

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Raw materials (See Note below)	125,913,717	156,244,046
(b) Stores and spares	59,753,897	62,847,732
(c) Consumables	748,754	360,760
Total	186,416,368	219,452,538

Note

As at 31 March 2013, the Group has estimated and accounted for an amount of ₹5,000,000 (As at 31 March 2012, ₹ Nil) as allowance for non moving/slow moving inventories in accordance with its accounting policy based on Management's assessment/technical evaluation.

Note 19 Trade receivables

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	59,038,887	340,359,365
Unsecured, considered doubtful	23,333,543	-
	82,372,430	340,359,365
(b) Other Trade receivables		
Unsecured, considered good	735,287,259	344,027,358
(c) Less: Provision for doubtful receivables	23,333,543	-
Total	794,326,146	684,386,723

Note 20 Cash and cash equivalents

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Cash on hand	4,114,315	4,404,546
(b) Balances with banks		
(i) In current accounts	462,768,172	175,363,009
(ii) In foreign currency account	448,933	1,731,955
(iii) In deposit accounts	15,777,305	121,680,464
(iv) In earmarked accounts		
- Balances held as margin money	32,015,691	25,720,705
- Share application money received towards preferential issue (Refer Note 30)	26,339	-
- Deposits/current accounts relating to IPO Proceeds (Refer Note 31)	210,660,385	536,073,420
Total	725,811,140	864,974,099
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	483,171,432	290,020,954

Note 21 Short-term loans and advances

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Unsecured, considered good, unless otherwise stated		
(a) Loans and advances to related parties (Refer Note 39)	170,942,694	133,270,486
(b) Loans and advances to employees	3,070,713	1,286,680
(c) Prepaid expenses	21,078,399	25,859,780
(d) Security deposits	143,257,452	1,710,189
(e) Advance Income tax (Net of provisions)	16,439,300	-
(f) Amounts Recoverable on Sale of Fixed Assets	48,072,313	48,072,313
(g) VAT Input Credit Receivable	10,580,570	15,719,562
(h) Advances to Vendors and Others	35,705,184	108,419,831
Total	449,146,625	334,338,841

Note 22 Other current assets

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(a) Unbilled Revenue	67,991,061	22,662,584
(b) Accruals		
(i) Interest accrued on bank deposits	446,099	1,396,368
(ii) Carbon credit receivables (Refer Note 4.2)	-	344,883,683
(iii) Renewable Energy Certificate receivables	193,278,418	22,268,551
(iv) Interest accrued on Trade receivables	35,982,113	34,236,499
(c) Advances to suppliers	86,237,651	-
Total	383,935,342	425,447,685

Note 23 Revenue from operations

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Sale of power	3,682,929,305	2,214,540,670
(b) Other operating revenues (Refer Note below)	671,574,189	289,910,548
Total	4,354,503,494	2,504,451,218

Note:

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Other Operating Revenues comprises:		
(i) Certified Emission Reduction Income (Refer Note 4.2)	-	90,200,838
(ii) Renewable Energy Certificates Income	655,226,137	181,097,223
(iii) Subsidy	1,713,102	2,669,424
(iv) Others (Refer Note 37)	14,634,950	15,943,063
	671,574,189	289,910,548

Note 24 Other income

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Interest income (Refer Note (i) below)	66,187,572	148,251,347
(b) Dividend income	32,400	25,343,295
(c) Profit on sale of assets	-	45,349,986
(d) Net gain on sale of current investments	374,296	52,490,682
(e) Net gain on foreign currency transactions and translation	98,893,218	24,571,943
(f) Other non-operating income (Refer Note (ii) below)	76,240,278	24,838,566
Total	241,727,764	320,845,819

Note:

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(i) Interest income comprises:		
- Interest from banks on deposits	48,366,333	95,072,692
- Interest on overdue trade receivables	-	31,392,957
- Other interest	17,821,239	21,785,698
Total	66,187,572	148,251,347
(ii) Other non-operating income comprises:		
Insurance claim received	54,005,477	-
Miscellaneous Scrap sales	4,987,081	-
Miscellaneous Income	17,247,720	24,838,566
Total	76,240,278	24,838,566

Note 25 Cost of materials consumed

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Opening stock	156,244,046	143,829,316
(b) Add: Purchases	1,111,942,688	890,518,703
	1,268,186,734	1,034,348,019
(c) Less: Sale of Raw Materials	-	5,593,712
(d) Less: Closing stock	125,913,717	156,244,046
Total	1,142,273,017	872,510,261

Note 26 Employee benefits expense

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Salaries and wages	199,556,465	163,193,834
(b) Contributions to provident fund	12,349,086	13,993,530
(c) Gratuity expense	2,075,386	1,940,636
(d) Staff welfare expenses	8,860,183	6,121,420
Total	222,841,120	185,249,420

Note 27 Finance costs

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Interest expense on:		
(i) Borrowings	1,666,725,398	948,090,375
(ii) Others	164,474,315	34,694,275
(b) Other borrowing costs	60,520,190	93,020,469
Total	1,891,719,903	1,075,805,119

Note 28 Other expenses

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
(a) Consumption of stores and spare parts	192,749,718	115,970,872
(b) Subcontracting	9,665,352	15,517,024
(c) Power and fuel	27,569,875	21,134,277
(d) Water	2,559,741	2,280,990
(e) Rent	32,113,362	37,596,096
(f) Repairs and maintenance - Buildings	227,604	1,149,134
- Machinery	157,111,745	117,947,062
- Others	33,558,703	97,909,843
(g) Insurance	29,167,671	21,217,382
(h) Rates and taxes (Refer Note 11.1)	93,714,237	69,343,505
(i) Communication	5,168,368	4,834,918
(j) Travelling and conveyance	34,879,931	25,063,547
(k) Printing and stationery	4,239,500	3,582,622
(l) Freight and forwarding	3,540,302	19,829,124
(m) Sales commission	15,430,100	23,771,802
(n) Hire Charges	21,354,929	5,406,369
(o) Donation and contributions	1,709,210	458,543
(p) Sitting Fees	1,203,500	1,111,000
(q) Business promotion	15,010,399	3,592,841
(r) Legal and professional	96,719,975	71,430,911
(s) Payments to auditors (including fees to auditors of subsidiaries)	6,027,939	4,885,643
(t) Bad trade and other receivables, loans and advances written off	54,391,896	34,708,932
(u) Provision for doubtful trade receivables	23,333,543	-
(v) Amounts written off on abandonment of projects (Refer Note (i) below)	29,756,492	-
(w) Net loss on foreign currency transactions and translation	23,268,180	-
(x) Transmission charges	134,691,852	70,161,726
(y) Renewable Energy Certificate expenses	6,080,312	9,936,456
(z) Loss on fixed assets sold	1,930	282,633
(aa) Bank charges	3,485,940	596,226
(ab) Miscellaneous expenses	61,370,918	55,743,361
Total	1,120,103,224	835,462,839

Contd..

Note

(i) During the current year ended 31 March 2013, the Group has decided not to proceed with the Biomass projects at Amritsar, Patiala and Vellore and has accordingly, charged off an amount of ₹29,756,492 under "Amounts written off on abandonment of projects" in the Statement of Profit and Loss. Also Refer Note 31(c).

Note 29 Contingent liabilities and commitments (to the extent not provided for)

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
(i) Contingent liabilities		
(a) Income Tax Demands against which the Group has gone on Appeal (Refer Note 29.1 below)	26,201,250	-
(b) Counter Guarantees provided to Banks	2,850,000	2,850,000
(c) Corporate guarantees given to bankers for loans obtained	20,738,600,000	21,098,400,000
(d) Letter of Credit issued by bankers	130,013,787	6,258,119,068
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets (net of advances)	3,826,351,877	5,780,808,187

29.1 Management's Assessment:

The Group expects a favourable decision with respect to the above disputed demands / claims based on professional advice and, hence, no provision for the same has been made.

Note 30 Share application money pending allotment

The Company has received an amount of ₹1,500,000,000 towards share application money and the allotment of equity shares was made on 6 April, 2013 on completion of required formalities. As per the objects of the preferential allotment, the end use of the funds raised is to meet the cost overrun in the 300 MW wind project, long term working capital needs and retirement of high cost debts. The balance amount remaining unutilised as at 31 March, 2013 on this account is ₹26,339.

In addition to the above, an amount of ₹23,003,086 has been received as share application money in some of the subsidiaries which is outstanding as at 31 March, 2013.

Note 31 Utilization of IPO Proceeds

a) Of the funds raised through the IPO in FY 2010-11, the Company has utilised ₹8,789,934,824 (Previous year: ₹8,617,294,657) towards various objects of the issue as detailed below :

Amount in ₹

Particulars	Amount to be utilised as per Prospectus (Refer Note (c)	Amount utilised upto 31 March, 2013	Amount utilised upto 31 March, 2012
Construction and development of biomass projects (Refer Note (c) below)	123,600,000	120,000,000	590,000,000
Funding of subsidiaries for repayment of existing loans	1,481,950,000	1,477,747,102	1,477,747,102
Funding of subsidiaries for development of biomass and wind projects (Refer Note (c) below)	5,786,040,000	5,651,208,274	5,027,708,274
General Corporate purposes and issue expenses	1,608,409,967	1,540,979,448	1,521,839,281
TOTAL	8,999,999,967	8,789,934,824	8,617,294,657
Amount Remaining Unutilised		210,065,143	382,705,310
Add: Income from investments made out of IPO Proceeds and remaining unrealised (Net)		595,242	153,368,110
Total amount in Bank fixed deposits/balances		210,660,385	536,073,420

b) Pending utilization of the full proceeds of the issue, the funds are temporarily invested / held in : Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Bank Fixed Deposits	210,654,694	535,912,000
Bank Balances	5,691	161,420
TOTAL	210,660,385	536,073,420

c) **Change in objects of the issue**

As per the original objects of utilisation mentioned in the prospectus, the total amount to be utilised towards Construction and development of biomass projects was ₹607,570,000. This amount included ₹483,970,000 relating to the proposed projects to be set up in Amritsar, Patiala and Vellore. The Company had also paid an amount of ₹470,000,000 in respect of the same to EPC Contractors as advance towards construction of the plants at the said locations which was included under utilisation of proceeds for construction and development of biomass projects as at 31 March 2012.

During the current year ended March 31, 2013, the Company has obtained the shareholders approval through postal ballot on March 26, 2013 to change the objects of the IPO consequent to the delays in the implementation of the said biomass projects and to decide on not proceeding with these projects and instead using the amounts originally earmarked for construction and development of biomass projects in the 300 MW wind project in its subsidiary companies. Accordingly, the amounts advanced towards the projects in Amritsar, Patiala and Vellore as aforesaid has been brought back and deployed for funding of subsidiaries for development of biomass and wind projects as at 31 March, 2013. Also Refer Note 28(i).

Note 32 Employee Benefits

32.1 The Group makes Provident Fund contributions for qualifying employees. Under the Scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹12,349,086 (Previous Year : ₹13,993,530) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

32.2 Defined benefits plans

The Group's obligation towards Gratuity is a Defined Benefit Plan. The Group has not funded its gratuity liability and the same continues to remain unfunded as at 31 March 2013. The following table sets out the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary;

Amount in ₹

Particulars	2012-13	2011-12
Changes in present value of obligation		
Present Value of Obligations as at beginning of Year	6,157,529	4,216,893
Interest Cost	450,252	-
Current Service Cost	2,238,838	2,188,382
Benefits Paid	(392,423)	-
Actuarial Loss on Obligation	(613,704)	(247,746)
Present Value of Obligations as at end of Year	7,840,492	6,157,529
Expenses recognised in Statement of Profit and Loss		
Current service Cost	2,238,838	2,188,382
Interest Cost	450,252	-
Expected return on plan assets	-	-
Net Actuarial loss recognised in the year	(613,704)	(247,746)
Expenses to be recognised in the statement of Profit and Loss	2,075,386	1,940,636

Particulars	2012-13	2011-12
Assumptions		
Discount Rate	8.50%	8.00%
Expected rate of salary increase	5.00%	5.00%
Mortality	Indian Assured Lives (2006-08) Ultimate	LIC (1994-96) Mortality Table
Atrition rate	3.00%	3.00%

Notes:

(i) The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant factors.

(ii) Discount rate is based on the prevailing market as applicable for risk free investment as at the Balance Sheet date for the estimated term of the obligation.

(iii) Experience Adjustments

Amount in ₹

Particulars	2012-13
Defined Benefit Obligation	7,840,492
Plan Assets	-
Deficit	(7,840,492)
Experience Adjustments on Plan Liabilities – Losses/(Gains)	836,400

The details of experience adjustments relating to prior years have not been disclosed in the absence of the required information

32.3 Compensated absences

The key assumptions, as provided by the independent actuary, used in the computation of provision for long term compensated absences are as given below:

Amount in ₹

Particulars	2012-13	2011-12
Discount rate	8.50%	8.00%
Future salary increase	5.00%	5.00%
Attrition rate	3.00%	3.00%

Note 33 Goodwill on Consolidation

(a)The details of Goodwill on consolidation are given below:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Opening Balance	480,389,568	484,360,508
Add: On acquisition of subsidiaries	33,389,809	-
Less: Adjustment to goodwill on disposal of investment in subsidiaries/others	(1,922,912)	(3,970,940)
Closing balance	511,856,465	480,389,568

(b) The above amount of Goodwill on consolidation includes an amount of ₹361,497,945 carried as Goodwill in respect of four Indian subsidiary companies whose net worth has been fully/substantially eroded as at 31 March 2013 as per the audited financial statements of these entities.

The Management has carried out an evaluation of the Goodwill in respect of these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of the investments in these subsidiaries, the nature of the industry, gestation period, etc., no provision for impairment has been considered necessary by the Management in respect of the carrying amount of Goodwill.

Note 34 Accounting for Certified Emission Reductions (CERs)

Pursuant to the requirements of the Guidance Note on Accounting for Self-generated Certified Emission Reductions, the details of CERs are given below:

Particulars	2012-13
Number of CERs held as inventory	190,303
Value of the CERs held as inventory (Amount in Rupees)	Nil
Basis of valuation of the CERs held as inventory	See Note 2.4
Number of CERs under certification	375,395

Note:

1. Also Refer Note 4.2 for the change in accounting policy relating to CERs.

Note 35 The effect of acquisition and disposal of subsidiaries

The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the consolidated financial statements is given below:

(a) Acquisition:

The Company has acquired a new subsidiary, namely Pennant Penguin Dendro Private Limited in Srilanka w.e.f 1 October, 2012 and has made this investment through an existing subsidiary, Statt Orient Energy Private Limited, Srilanka. The details of the financial position and results of this subsidiary as included in the consolidated financial statements for the year ended 31 March, 2013 are given below:

Particulars	Amount in ₹
Current liabilities	16,363,240
Non-current assets	77,124,585
Current assets	71,746,297
Revenue for the period	-
Expenses for the period	5,918,818
(Loss) before tax for the period	(5,918,818)
(Loss) after tax for the period	(5,918,818)

(b) Disposal:

The Company has disposed off its investment in Powergen Lanka Private Limited, a Srilankan subsidiary, on 16 July, 2012 the details of which, as at and upto the date of being the subsidiary, are given below:

Particulars	Amount in ₹
Liabilities	898,807,462
Assets	1,201,411,956
Revenue for the period	-
Expenses for the period	4,841,827
(Loss) before tax for the period	(4,841,827)
(Loss) after tax for the period	(4,841,827)

Note 36 Exceptional Items

Details of Exceptional Item for the year ended 31 March, 2013 are given below:

Amount in ₹

Particulars	For the year ended 31 March, 2013
Net Effect of Disposal of stake in subsidiaries	
-- Powergen Lanka Private Limited (Refer Note (a) below)	104,271,161
-- PSR Green Power Projects Private Limited (Refer Note (b) below)	21,339,157
-- Sanjog Sugar and Eco Power Private Limited (Refer Note (b) below)	8,710,998
Total	134,321,316

Note:

(a) The Group, with a view to concentrate on the fast growing wind energy business in India, sold its entire 90% stake in Powergen Lanka Private Limited. The Share Sale Agreement for sale of the stake was executed on 16 July, 2012 and, accordingly, Powergen Lanka ceased to be a subsidiary from that date.

(b) During the current year, the Company has sold part of its stake in PSR Green Power Projects Private Limited and Sanjog Sugars and Eco Power Private Limited at cost as per terms of its agreement/understanding with the parties.

Note 37 Compensation

Revenue from operations of the previous year ended 31 March, 2012 include ₹5,094,533 received towards compensation for non supply of contracted gas by the sugar mill which was finalised and accepted during the previous year.

Note 38 Segment Information as per Accounting Standard 17 on Segment Reporting

The primary reporting of the Group has been made on the basis of Business Segments. The Group has a single business segment, namely Generation of Power through Renewable Sources. Accordingly, the amount appearing in these financial statements relate to primary business segment. The geographical segment details, which is considered as secondary segment as defined in the aforesaid Standard are as follows:

Amount in ₹

Particulars	2012-13	2011-12
Sale of Power		
- India	3,520,970,360	2,104,401,950
- Others	161,958,945	110,138,720
Total	3,682,929,305	2,214,540,670
Other Operating Revenue		
- India	671,574,189	289,910,548
- Others	-	-
Total	671,574,189	289,910,548
Total Revenue from Operations	4,354,503,494	2,504,451,218
Carrying amount of Segment Asset		
- India	33,938,841,538	32,907,853,802
- Others	1,320,337,488	2,553,530,255
- Unallocated	96,583,994	100,037,025
Total	35,355,763,020	35,561,421,082
Purchase of fixed assets		
- India	2,838,830,143	9,276,593,268
- Others	5,651,160	1,144,880,894
Total	2,844,481,303	10,421,474,162

Note 39 Related Party Disclosure

Details of related parties:

Description of relationship	Names of related parties	
	2012-13	2011-12
Holding Company	Orient Green Power Pte Ltd, Singapore	Orient Green Power Pte Ltd, Singapore
Key Management Personnel (KMP)	Mr. T. Shivaraman, Vice Chairman Mr. P. Krishnakumar, Managing Director	Mr. T. Shivaraman, Vice Chairman Mr. P. Krishnakumar, Managing Director
Company over which KMP exercises Significant Influence (Others)	Shriram EPC Limited Theta Management Consultancy Services Private Limited	Shriram EPC Limited
Co-venturer/ Joint Venturer exercising significant influence on certain subsidiaries (Other venturers)	Jaya Jothi Cements Limited (Subsidiary - PSR Green Power Projects Private Limited) Nishi Nippon Environental Energy Inc. (Subsidiary - Orient Eco Energy Limited) Shalivahana Green Energy Limited (Subsidiary - Pallavi Power and Mines Limited) Innovative Environmental Technologies Pvt. Ltd (Subsidiary - Orient Bio Power Limited) Tudic Elecktro Centar Obnovljivi izvori d.o.o, Sibenik (Subsidiary - Orient Green Power Europe B.V.)	Nishi Nippon Environental Energy Inc. (Subsidiary - Orient Eco Energy Limited) Shalivahana Green Energy Limited (Subsidiary - Pallavi Power and Mines Limited) Innovative Environmental Technologies Pvt. Ltd (Subsidiary - Orient Bio Power Limited)

Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:

Amount in ₹

Description	Name of the Related Party	Relationship	2012-13	2011-12
Transactions during the Year				
Sales	Innovative Environmental Technologies Private Limited	Other venturers	242,970	-
Sale of Fixed Assets	Shriram EPC Limited	Others	-	240,584,908
Material Purchased	Innovative Environmental Technologies Private Limited	Other venturers	385,875	-
Outsourcing charges	Innovative Environmental Technologies Private Limited	Other venturers	2,032,896	-
Other Expenses	Innovative Environmental Technologies Private Limited	Other venturers	612,000	-
Interest Paid	Shriram EPC Limited	Others	1,989,991	-
Lease rent paid	Shriram EPC Limited	Others	6,124,952	6,614,765
Expenses Reimbursed	Shriram EPC Limited	Others	-	1,999,867
Managerial Remuneration	Mr. T. Shivaraman, Vice-Chairman Mr. P. Krishnakumar, Managing Director (Note 2 below)	KMP KMP	1,200,000 7,500,000	1,200,000 6,874,515
Purchase of Capital Goods	Shriram EPC Limited	Others	173,457,633	-
Purchase of Capital Goods	Shalivahana Green Energy Limited	Other venturers	19,697,750	-
Design, Supply and Erection of Power Plants and Windmills	Shriram EPC Limited	Others	-	1,980,508,218
Purchase of Windmill Spares	Shriram EPC Limited	Others	-	645,811
Advances made for Purchase of Capital Goods	Shriram EPC Limited	Others	141,511,790	-
Advances Made (Recovered/(received) - Net)	Shriram EPC Limited	Others	1,852,116,600	-
Borrowings	Shalivahana Green Energy Limited	Other venturers	2,259,326	-
Advances received/ (paid)	Orient Green Power Pte Ltd, Singapore	Holding Company	2,573,306	-

Note 39 Related Party Disclosure

Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013:

Amount in ₹

Description	Name of the Related Party	Relationship	2012-13	2011-12
Closing Balance at the Year End				
Long term Loans and Advances - Capital advances	Shriram EPC Limited	Others	49,749,329	-
Long term - Unsecured - Loans and advances to related parties	Shriram EPC Limited	Others	27,168,855	-
Long term borrowings - Unsecured - Loans from related parties	Shalivahana Green Energy Limited Orient Green Power Company Pte., Singapore	Other venturers Holding Company	4,005,649 23,772,986	- 21,056,725
Short term borrowings - Unsecured - Loans from related parties	Shriram EPC Limited	Others	283,287,865	-
Short term - Unsecured - Loans and advances to related parties	Tudic Elecktro Centar Obnovljivi izvori d.o.o, Sibenik Shriram EPC Limited	Other venturers Others	39,649,001 131,293,693	- 133,270,486
Trade Payables (Net)	Innovative Environmental Technologies Private Limited	Other venturers	172,818	-
Corporate Guarantees taken	Shriram EPC Limited	Others	375,000,000	-
Payables (Net)	Shriram EPC Limited	Others	-	1,778,742,816

Note:

1. The Group accounts for costs incurred by the Related parties based on the actual invoices/debit notes raised and accruals as confirmed by such related parties. The Related parties have confirmed to the Management that as at 31 March, 2013, there are no further amounts payable to/receivable from them, other than as disclosed above.

2. The Ministry of Corporate Affairs has approved remuneration for Mr. P. Krishnakumar, Managing Director of an amount not exceeding ₹7,500,000 per annum. The said approval is valid for the period from 4 June 2011 to 3 June 2014.

3. Theta Management Consultancy Services Private Limited, a Company in which Mr. T. Shivaraman, Vice-Chairman is a majority shareholder, has pledged 13.5 million shares of OGPCL held by them in connection with a loan obtained by the Company.

Note 40 Disclosure pursuant to Accounting Standard 19, Leases

(a) Operating leases:

The Group has operating lease arrangements primarily for office, the lease period of which is about 3 to 5 years. An amount of Rupees 32,113,362 (Previous Year Rupees 37,596,096) has been towards lease rental and other charges. The future expected minimum lease payments under operating leases are as given below:

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
Not later than one year	11,716,586	11,430,816
Later than one year but not later than five years	37,245,408	38,007,463
Later than five years	-	-
Total	48,961,994	49,438,279

(b) Finance leases:

The Group has taken certain vehicles on finance leases, the details of which are given below

Amount in ₹

Particulars	As at 31 March, 2013	As at 31 March, 2012
a. Cost of asset acquired		
Cost of Vehicles acquired under Hire Purchase	2,908,512	2,908,512
Carrying value of Vehicles	2,199,112	2,470,422
b. Reconciliation between total minimum lease payments and their present value		
Total minimum lease payments	693,207	1,371,426
Less: Liability on interest account	18,137	91,304
Present value of payments	675,070	1,280,122
c. Year wise break up of minimum lease payments		
Upto one year	555,359	605,057
Later than one year but not later than five years	119,711	675,065
Later than five years	-	-

Note 41 Earnings Per Share

Amount in ₹

Particulars	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Earnings per share		
Basic and Dilutive		
Net (loss) for the year - Rupees	(698,878,585)	(692,784,053)
Weighted average number of equity shares - Numbers	468,078,249	468,078,249
Par value per share - Rupees	10	10
Earnings per share - Basic - Rupees	(1.49)	(1.48)
Earnings per share - Diluted - Rupees	(1.49)	(1.48)

Note:

The weighted average number of equity shares used for Basic and Diluted EPS are the same since the outstanding potential equity shares as at 31 March, 2013 are anti-dilutive in nature.

Note 42

Consequent to the receipt of the proceeds pursuant to the preferential issue, the Company has allotted 100,000,000 equity shares to Shriram Industrial Holdings Limited (Formerly Shriram Industrial Holdings Private Limited) (SIHL) on 6 April, 2013 resulting in SIHL holding 17.60% shares in the post preferential issue capital of the Company. Further, Company has entered into a Master Framework Agreement dated 22 February, 2013 and amendment dated 2 April, 2013 with SIHL and Shriram EPC (Singapore) PTE Limited, as per which the shares held by Shriram EPC (Singapore) PTE Limited in Orient Green Power PTE Ltd, Singapore, the Company's Holding Company, is proposed to be bought by SIHL. This transaction has triggered an open offer pursuant to the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011. SIHL has acquired 71,269,846 equity shares of face value of ₹10 each, constituting 12.55% of the revised paid-up equity share capital of the Company, pursuant to the said open offer made to the public shareholders and is in the process of completing the formalities of the Open Offer.

Note 43

Previous year's figures have been regrouped/reclassified, wherever necessary, to correspond with the current year classification/disclosure.

Note 44

The Board of Directors of the Company has reviewed the realisable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the consolidated financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 30 May, 2013.

For and on behalf of the Board of Directors

	T. Shivaraman Vice Chairman	P. Krishnakumar Managing Director
Place : Chennai Date : 30th May, 2013	J. Sivakumar Chief Financial Officer	T. Sivakumar Company Secretary

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 MARCH, 2013
(As per general exemption under section 212(8) of the Companies Act, 1956)

Amount in ₹ Lakhs

SL. No.	Name of the Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments $	Turnover/ Total Income	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend	Country
1	Global Powertech Equipment Limited	INR	1,458.00	(1,342.22)	5,152.47	5,036.69	1.30	3,286.59	(372.27)	0.00	(372.27)	Nil	India
2	Amrit Environmental Technologies Private Limited	INR	100.00	(1,517.03)	2,882.84	4,299.86	0.00	547.44	(528.06)	0.00	(528.06)	Nil	India
3	S.M. Environmental Technologies Private Limited	INR	297.50	(177.43)	5,388.25	5,268.18	0.00	1,596.62	(668.08)	0.00	(668.08)	Nil	India
4	Orient Bio Power Limited	INR	137.35	(491.77)	940.22	1,294.64	0.00	239.49	(125.46)	0.00	(125.46)	Nil	India
5	Shriram Powergen Limited	INR	1,200.00	138.73	4,346.70	3,007.98	0.00	3,844.65	703.36	219.07	484.29	Nil	India
6	Shriram Nonconventional Energy Limited	INR	1,335.00	(430.28)	4,944.00	4,039.29	0.00	3,518.51	215.86	60.80	155.06	Nil	India
7	Sanjog Sugars & Eco Power Private Limited	INR	158.66	(734.74)	7,556.38	8,132.47	0.00	1,848.74	(1,425.38)	0.00	(1,425.38)	Nil	India
8	Pallavi Power & Mines Limited	INR	921.57	(179.58)	1,746.68	1,004.68	0.00	0.04	(33.00)	0.00	(33.00)	Nil	India
9	PSR Green Power Projects Private Limited	INR	1,278.80	(819.71)	5,990.19	5,531.10	0.00	12.70	(479.19)	0.00	(479.19)	Nil	India
10	Orient Green Power Company (Rajasthan) Private Limited	INR	120.90	924.84	6,003.62	4,957.88	0.00	30.06	(83.90)	0.00	(83.90)	Nil	India
11	Orient Eco Energy Limited	INR	895.00	(43.93)	851.18	0.11	0.00	3.38	(16.60)	0.00	(16.60)	Nil	India
12	Gayathri Green Power Limited	INR	6.00	(1.88)	4.46	0.34	0.00	0.00	(0.38)	0.00	(0.38)	Nil	India
13	Beta Wind Farm Private Limited	INR	2,191.93	481.82	197,654.94	194,981.18	27.84	13,230.13	(1,050.70)	0.00	(1,050.70)	Nil	India
14	Orient Green Power Europe B.V.	EURO*	3,359.64	(1,404.12)	12,073.58	10,118.07	0.00	1,874.96	(799.24)	1.21	(800.45)	Nil	Netherlands
15	Bharat Wind Farm Limited	INR	7,170.93	9,082.80	42,229.55	25,975.82	0.00	7,910.31	(400.22)	424.16	(824.38)	Nil	India
16	Gamma Green Power Private Limited	INR	2,703.66	(1,928.20)	25,279.16	24,503.71	0.00	3,615.19	(1,537.29)	0.00	(1,537.29)	Nil	India
17	Powergen Lanka Private Limited#	LKR*	0.00	0.00	0.00	0.00	0.00	0.00	(48.42)	0.00	(48.42)	Nil	Sri Lanka
18	Statt Orient Energy Pvt Ltd	LKR*	1,075.66	(102.33)	1,129.79	156.46	0.00	0.00	(72.98)	0.00	(72.98)	Nil	Sri Lanka
19	Theta Wind Energy Pvt Limited	INR	1.00	(0.51)	142.25	141.76	0.00	0.00	(0.19)	0.00	(0.19)	Nil	India
	Total		24,411.59	1,454.48	324,316.28	298,450.21	29.13	41,558.80	(6,722.14)	705.24	(7,427.38)		

	Currency	Balance Sheet	Profit & Loss
*Ex Rates during the year and as on 31-03-2013	1 Euro	₹69.6630	₹69.9458
	1 LKR	₹0.4286	₹0.4185

$ Investments exclude investments in subsidiaries
# The Company has ceased to be a subsidiary since July 16,2012.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. N. Rangachary – Chairman
Mr. T. Shivaraman – Vice Chairman
Mr. P. Krishnakumar – Managing Director
Maj. Gen. A.L. Suri (Retd.)
Mr. R. Ganapathi
Mr. R. Sundararajan
Mr. P. Abraham
Mr. S. Venkat Ram
Mr. S. Srinivasan
Mr. Vishal Vijay Gupta
Mr. Himraj Dang with effect from 30th May, 2013

CHIEF FINANCIAL OFFICER
Mr. J. Sivakumar

COMPANY SECRETARY
Mr. T. Sivakumar

REGISTRAR & SHARE TRANSFER AGENT
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078.

REGISTERED OFFICE
4th Floor, Sigappi Achi Building,
18/3, Rukmini Lakshmipathi Road
Egmore, Chennai - 600 008.

Email: complianceofficer@orientgreenpower.com
Website: www.orientgreenpower.com

BANKERS
Axis Bank
Andhra Bank
Bank of India
Central Bank of India
Canara Bank
Corporation Bank
Dena Bank
Indus Ind Bank
Indian Overseas Bank
ICICI Bank Ltd
Karnataka Bank Ltd
Punjab National Bank
State Bank of India
State Bank of Hyderabad
State Bank of Patiala
State Bank of Mysore
Tamil Nadu Mercantile Bank Ltd
Vijaya Bank
Yes Bank Ltd

AUDITORS
M/s. Deloitte Haskins & Sells, Chartered Accountants,
ASV N Ramana Tower, 52, Venkatnarayana Road, T.Nagar, Chennai-600 017.

Place : Chennai
Date : 30th May, 2013

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	ORIENT GREEN POWER COMPANY LIMITED
2	Consolidated financial statements for the year ended	31 March 2013
3	Type of Audit observation	**<u>Emphasis of Matter - 1:</u>** The Emphasis of Matter paragraph included in the consolidated Audit Report for the YE 31 March 2013 is reproduced below: "An amount of Rs. 361,497,945 is carried as Goodwill on consolidation in respect of four Indian subsidiary companies whose net worth has been fully/substantially eroded as at 31 March 2013 as per the audited financial statements of these entities. As stated in Note 33(b) of the consolidated financial statements, the Company has carried out an evaluation of the Goodwill in respect of these subsidiaries taking into account the expected cash flows based on future business projections and the Management plans for reviving the operations of these subsidiaries. Based on the same duly considering the long term nature of the investments in these subsidiaries, the nature of the industry, gestation period, etc. no provision for impairment has been considered necessary by the Management in respect of the carrying amount of Goodwill." Our opinion is not qualified in respect of this matter. <u>Related Notes to Accounts</u> (extracted from Note 33(b) to the financial statements) "An amount of Rs. 361,497,945 is carried as Goodwill on consolidation in respect of four Indian

DELOITTE HASKINS & SELLS CHENNAI-17 CHARTERED ACCOUNTANTS

		subsidiary companies whose net worth has been fully/substantially eroded as at 31 March 2013 as per the audited financial statements of these entities. The Management has carried out an evaluation of the Goodwill in respect of these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of the investments in these subsidiaries, the nature of the industry, gestation period, etc., no provision for impairment has been considered necessary by the Management in respect of the carrying amount of Goodwill." **<u>Emphasis of Matter - 2:</u>** "Attention is invited to Note 4.2 of the consolidated financial statements regarding the accounting for carbon credits and the adjustments made to the Revenue Reserves as at 1 April 2012 for Rs. 313,946,060 relating to the Self-Generated Certified Emission Reductions (CERs) recognized as at 31 March 2012 by subsidiaries based on the transitional provisions of the Guidance Note on Accounting for Self-Generated Certified Emission Reductions issued by the Institute of Chartered Accountants of India which is applicable effective 1 April 2012. This matter has been emphasized by the auditors of these subsidiaries in their respective audit reports." Our opinion is not qualified in respect of this matter. <u>Related Notes to Accounts:</u> (Note 4.2 to the financial statements) In line with the Guidance Note on Accounting for Self-Generated Certified Emission Reductions (CERs) issued by the Institute of Chartered Accountants of India which is applicable effective 1 April 2012, the group has changed its accounting policy for recognizing revenues from CERs to fall in line with

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CHENNAI-17
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		the Guidance Note and has, accordingly, not recognized CERs which are yet to be credited pending final certification by UNFCCC. Had the group followed the earlier policy of recognizing CERs on generation, the Loss before tax for the year ended 31 March 2013 would have been lower by Rs. 77,717,926 and Loss after tax for the year ended 31 March 2013 would have been lower by Rs. 77,717,926. With respect to the net amount of CERs of Rs. 313,946,060 already recognized as receivable as at 31 March 2012 of as per the accounting policy followed earlier, the subsidiaries have adjusted such amounts to the opening Revenue Reserves as at 1 April 2012, based on the transitional provisions of the said Guidance Note.
4	Frequency of Audit observation	**Emphasis of Matter - 1:** Year Ended 31 March 2013 is the second year in respect of which the observation in the form of an Emphasis of Matter relating to Goodwill on consolidation has been included **Emphasis of Matter – 2:** Year Ended 31 March 2013 is the first year in respect of which the observation in the form of an Emphasis of Matter relating to CER's has been included. There was a qualification in the consolidated auditors report for the YE 31 March 2012 in respect of the recoverability of the amount of CERs recognized as at 31 March 2012. However, consequent to the change in the accounting policy, and the reversal of CER's recognised earlier in accordance with the previous accounting policy, this item has not been qualified and instead the same has been referred as an Emphasis of Matter in the Consolidated auditors report in the current financial year ended 31 March 2013.

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5	To be signed by – • Managing Director • Chief Financial Officer • Audit Committee Chairman Place : Chennai Date: 30 May 2013	 Jeet J. Lial X Nhangarhay
6	Statutory Auditor	Refer our Audit Report dated 30 May 2013 On the consolidated financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No.008072S) P. Sriraman Sriraman Parthasarathy (Partner) (Membership No. 206834) Place : Chennai Date : 30 May 2013

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FORM B
Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	ORIENT GREEN POWER COMPANY LIMITED
2	Standalone financial statements for the year ended	31 March 2013
3	Type of Audit qualification	• **Main Audit Report – No Qualification, but <u>Emphasis of Matter</u> (EoM) as reproduced below:** "The Company has made investments aggregating to Rs. 712,517,918 in four Indian subsidiary companies and has also provided loans aggregating to Rs. 1,060,911,822 as at 31 March 2013 to these subsidiaries, whose net worth has been fully / substantially eroded as at 31 March 2013, as per the audited financial statements of these entities. As stated in Note 13(i) of the financial statements, the Company has carried out an evaluation of the nature of the diminution in the value of the investments in these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of these investments, the nature of the industry, gestation period, etc. the diminution in the value of the investments is not considered as other than temporary in nature. Further, the loans are also considered as good for recovery. Our opinion is not qualified in respect of this matter". • **CARO – Comment equivalent to qualification as provided below:** **The paragraph (xii) in CARO in respect of defaults in repayment of loans/interest:** "In our opinion and according to the information and explanations given to us, the Company has not been regular in repayment of dues to banks and there have been defaults amounting to Rs. 195,710,240 in respect of principal and interest repayments for the year ended 31 March 2013. Also Refer Note11.2 of the financial statements. The Company has not borrowed from financial institutions and has not issued any debentures during the current year."

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4	Frequency of qualification	**EoM relating to four subsidiaries:** Year Ended 31 March 2013 is the second year in respect of which an Emphasis of Matter has been included for a similar matter. **CARO Comment – Para (xii) relating to repayment of loans/interest:** This is the first time this comment equivalent to qualification is appearing in the Auditors Report.
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	• **EoM relating to four subsidiaries:** **Note 13(i) to the financial statements** The Company has made investments aggregating to Rs. 712,517,918 in four Indian subsidiary companies and has also provided loans aggregating to Rs. 1,060,911,822 as at 31 March 2013 to these subsidiaries, whose net worth has been fully/substantially eroded as at 31 March, 2013, as per the audited financial statements of these entities. The Company has carried out an evaluation of the nature of the diminution in the value of the investments in these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of these investments, the nature of the industry, gestation period, etc., the diminution in value of the investments is not considered as other than temporary in nature. Further, the loans are also considered as good for recovery. **Management Response** The Company has carried out an evaluation of the nature of the diminution in the value of the investments in these subsidiaries taking into account the expected cash flows based on future business projections and the Management's plans for reviving the operations of these subsidiaries. Based on the same and duly considering the long term nature of these investments, the nature of the industry, gestation period, etc., the diminution in value of the investments is not considered as other than temporary in nature. Further, the loans are also considered as good for recovery.

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CARO comment under (xii) relating to repayment of loans/interest:

Note 11.2 of the Financial Statements

"The Company has defaulted in repayment of Long term secured loans and interest in respect of the following amounts included under Current maturities of long-term debt and Interest accrued and due on Long term borrowings in Note 11:

Particulars	As at 31 March, 2013	
	Period of default	Amount in Rupees
Term loans from banks:		
State Bank of India (SBI)		
Principal	September 2012 to March 2013	52,000,000
Interest (including overdue penal interest)	September 2012 to March 2013	42,932,898
State Bank of India (SBI)		
Principal	January 2013 to March 2013	13,000,000
Interest (including overdue penal interest)	January 2013 to March 2013	8,138,559
State Bank of Hyderabad (SBH)		
Principal	January 2013 to March 2013	7,800,000
Interest (including overdue penal interest)	March 2013	2,274,946
State Bank of Hyderabad (SBH)		
Principal	January 2013 to March 2013	3,750,000
Interest (including overdue penal interest)	February 2013 and March 2013	1,992,983
Yes Bank Ltd		
Principal	Jan to March-13	56,987,179
Interest (including overdue penal interest)	March-13	6,833,675
Total - Principal		**133,537,179**
Total - Interest		**62,173,061**
Grand Total		**195,710,240**

The Company has repaid Rs. 23,386,077 subsequent to the Balance Sheet date and has also applied for a reschedulement of the terms with some of the Banks. The Company is hopeful of a favourable outcome in respect of the same."

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		Management Response The Company has repaid Rs. 23,386,077 subsequent to the Balance Sheet date and has also applied for a reschedulement of the terms with some of the Banks. The Company is hopeful of a favourable outcome in respect of the same.
6	Additional comments from the board/audit committee chair:	None
7	To be signed by – • Managing Director • Chief Financial Officer • Audit Committee Chairman Place : Chennai Date: 30 May 2013	
	Statutory Auditor	Refer our Audit Report dated 30 May 2013 On the standalone financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No.008072S) Sriraman Parthasarathy (Partner) (Membership No. 206834) Place : Chennai Date : 30 May 2013

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