

Directors' Report

Dear Shareholders,

The Directors take pleasure in presenting the Ninth Annual Report on the business and operations of the Company and the financial statements for the year ended March 31, 2016.

1. FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Sale and Other Income	6,579.91	6,115.67	40,207.51	50,033.36
Profit / (Loss) before Depreciation, Interest and Tax & Exceptional items	791.53	(725.59)	21,308.72	24,336.29
Interest	3,964.14	5,642.72	27,687.75	28,588.60
Depreciation and Amortisation	1,559.19	1,811.28	20,667.95	17,933.59
Exceptional item	12,119.45	15,682.97	7,186.47	2,098.13
Profit (Loss) before Tax	(16,851.25)	(23,862.56)	(34,233.45)	(24,284.03)
Less : Provision for Tax	-	-	-	421.29
Less : Provision for Deferred Tax	-	-	(201.62)	(331.51)
Less : Share of loss of Associate	-	-	0.15	-
Minority Interest	-	-	(375.99)	(1,077.64)
Profit / (Loss) for the period	(16,851.25)	(23,862.56)	(33,655.99)	(23,296.17)

2. BUSINESS PERFORMANCE

Performance of wind business during the year to a large extent was impacted by performance of the segment which has continued to remain sub-optimal primarily owing to external factors such as inadequate infrastructure – grid back down, above average variation in wind patterns etc., resulting in the gap between performance and potential. Delayed and lower wind availability impacted revenue generation for the year. Measures such as planned shutdown of thermal plants during peak generation season by the Tamil Nadu State Electricity Board (TNSB) has significantly contributed to the improved scenarios.

The Tamil Nadu state has been successful in consistently lowering the losses associated with grid back down; from a level of 40% two years back the situation is expected to be below 10% by next year. The situation is encouraging and should help us deliver significantly better performance if on-ground developments progress as planned. Further, the grid corridor which was incomplete for last two - three years is now complete which in turn has resulted in evacuating energy generated in Southern part of Tamil Nadu to Northern parts of the state which are the prime consuming centers of the state. The business is expected to deliver a better performance with improvement in wind availability as the same will ensure higher generation of energy.

With regard to the biomass business, the Company has more than doubled its capacity in the business over the

years. With an installed capacity of 106 MW, biomass constitutes 20% of the Company's overall portfolio. The business has had to encounter significant difficulties in turn impairing the overall performance of the business. Factors ranging from unavailability of working capital to procure raw material and unviable tariff environment had dented the segment's performance.

Taking cognizance of the segment's sub optimal performance over the years, the Company has been working diligently towards identifying the nature and characteristics of factors hindering the business. In light of the above, the Company has formulated a strategy which should help improve the operations and profitability of biomass business.

The Consolidated Sales and Other Income for the year under review was Rs. 40,207.51 Lakhs (Rs. 50,033.36 Lakhs). Profit before Interest, Depreciation, Tax and Exceptional items was at a level of Rs. 21308.72 Lakhs (Rs. 24,336.29 Lakhs). Loss after Tax and Minority Interest was at Rs. 33,655.99 Lakhs (Rs.23,296.17Lakhs).

3. COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

During the year, the Board of Directors of the Company, at their meeting held on 13 June, 2015, has approved the Draft Composite Scheme of Arrangement and Amalgamation between Orient Green Power Company Limited and Bharath Wind Farm Limited (BWFL) and Biobjilee Green Power Limited (BGPL) and their respective

shareholders (the Draft Scheme) as per which:

- (a) BWFL, a wholly owned subsidiary of the Company, will get amalgamated with the Company effective 1 April, 2015 and
- (b) the identified biomass undertaking of the Company (including the Unit/Subsidiaries will get demerged to BGPL, a subsidiary of the Company, effective 1 October, 2015, subject to the required approvals from the Honorable High Court of Judicature at Madras which are in the process of being obtained. Upon receipt of the approvals, BGPL will cease to be a subsidiary of the Company and will seek necessary approvals to list its shares at the recognized stock exchanges in India. The substance of this demerger arrangement is in the nature of application and reduction of Securities Premium Account as per the provisions of Section 52 of Companies Act, 2013 read with Sections 100 to 103 of the Companies Act, 1956

4. DIVIDEND

The Company has not declared any dividend in view of the losses incurred by the Company during the year.

5. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and its subsidiaries, prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual financial statements of the subsidiaries and related detailed information will be kept at the Registered Office of the Company and will be available to investors seeking information at any time.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Policy, as approved by the Board, is uploaded on the Company's website.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, in terms of Clause 49 of the Listing Agreement the Management's discussion and analysis is set out in this Annual Report

7. SUBSIDIARIES

As at 31st March, 2016, your Company had a total of 18 subsidiaries and 3 step down subsidiaries and

2 Associates, the details of which are given else where in the Annual Report under the relevant Sections.

During the year, the Company has acquired entire paid up capital in Orient Green Power (Maharashtra) Private Limited. Pursuant to the same, Orient Green Power (Maharashtra) Private Limited has become a wholly owned subsidiary of the Company. During the year, one of the Company's equity holding in the subsidiary M/s. Pallavi Power & Mines Limited (Pallavi), has been reduced from 51% to 38.87% due to allotment of shares by Pallavi to Joint Venture Partner and consequent to reduction in the holding, Pallavi has become Associate of the Company.

During the Year, your Company has entered into a Memorandum of Understanding (MoU) with Shri Chandrabhan Katewa to divest 84% equity shares held by the Company in M/s. Sanjog Sugars & Eco Power Private Limited through an investment vehicle to be identified by Shri. Chandrabhan Katewa subject to all required approvals.

During the year your Company has enter into a Memorandum of Understanding (MoU) with Sindicatum Captive Energy Singapore Pte Limited (Sindicatum), a company incorporated under the Laws of Singapore to divest the entire stake held in M/s. Orient Green Power (Maharashtra) Private Limited towards sale of 20 MW co-generation power project in Kolhapur, Maharashtra subject to all required approvals.

During the year, the Company has transferred the Biomass Power Generation Plant of the Company located at Pollachi, by way of a slump sale, on a going concern basis at book value with effect from 1 July, 2015, based on the Business Transfer agreement dated 26 June, 2015 entered into with Gayatri Green Power Private Limited (GGPPL)

During the year your Company has disinvested 26% of the equity shares held in its subsidiary M/s. Gayatri Green Power Private Limited in favour of Group Captive Customers in order to shift to Group Captive Model.

The information as required under the first proviso to sub-section (3) of Section 129 is given in Form AOC-1 in "Annexure-A".

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013 ("Act"), Consolidated financial statements along with the relevant documents and separate audited accounts in respect of the subsidiaries of the Companies are available in the website of the Company and the web link is provided below : www.orientgreenpower.com/investor.asp

8. SHARE CAPITAL

During the year, the Company has issued and allotted 171,721,426 Equity Shares of Rs.10 each at a price of Rs.14.56 (including of a premium of Rs.4.56 per equity



share) on a preferential allotment basis to Promoters and other parties. 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 Rs.10 each and shall also be subject to lock-in, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations.

As a result of the above allotments paid-up equity shares of the company was increased from Rs.5,680,782,490 comprising of 568,078,249 number of equity shares of Rs.10 each as on March 31, 2015 to Rs.7,397,996,750 comprising of 739,799,675 number of equity shares of Rs.10 each as on March 31, 2016. The allotted shares are listed and traded in the Stock Exchanges.

9. DEPOSITS

The Company has not accepted any deposits either from the shareholders or public and as such, no amount of principal or interest was outstanding as of the date of Balance Sheet.

10. CORPORATE GOVERNANCE

The Company has been complying with the provisions of Corporate Governance as stipulated in Regulations 24,27 and other relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. A separate report on Corporate Governance along with Auditors' Certificate on compliance of the Corporate Governance norms as stipulated in Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Management Discussion & Analysis forming part of this report are provided elsewhere in this Annual Report.

11. INTERNAL CONTROL SYSTEM

The Company has in place an adequate system of internal controls commensurate with its size, requirements and the nature of operations. These systems are designed, keeping in view the nature of activities carried out at each location and the various business operations. The company has documented a robust and comprehensive internal control system for all the major processes to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal Auditor monitors and evaluates the efficiency and adequacy of internal controls system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit, process owners undertake corrective action in their respective areas and thereby strengthen the controls. During the year, the Audit Committee met

regularly to review reports submitted by the Internal Audit. All significant audit observations and follow-up actions thereon were reported to the Audit Committee. The Audit Committee also met the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal controls and systems followed by the Company.

Your Company also has a Risk Management Framework in place covering all critical areas of operation. This framework is reviewed periodically keeping in mind the business dynamics and external environment and provides the guidelines for managing the various risks across the business.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013 :

- (i) In the preparation of the annual accounts for the year ended 31st March 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures if any ;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2016 and Profit and Loss and cash flow of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of a dequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding 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.
- (v) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are reasonably adequate and operating effectively; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are reasonably adequate and operating effectively.

BOARD MEETINGS, BOARD OF DIRECTORS , KEY MANAGERIAL PERSONNEL & COMMITTEE OF DIRECTORS

i) NUMBER OF BOARD MEETINGS

The Board of Directors met 7 (Seven) times in the year

2015-16. The details of the board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

ii) DIRECTORS:-

- a) Resignation:- Mr.Vishal Vijay Gupta ,Director has resigned from the Board with effect from March 15,2016.
- b) Appointment:- No appointment during the Financial Year
- c) Re-appointment:- In accordance with the provisions of Section 152(6) and Article 121 of the Association of the Company Mr. T.Shivaraman will retire by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.
- d) Key Managerial Personnel - Mr. K.V. Kasturi, was appointed as the Chief Financial Officer (CFO) of the Company with effect from 1st June 2015.
- e) Independent Directors: - The Company has received from each independent directors of the Company under Section 149(7) of the Act, that they meet the criteria of independence as laid down in Section 149(6) of the Act.
- f) Change in the Designation:-Mr.R.Sundarajan has been re-designated from Independent Director to Non-Executive Director during the year.

iii) BOARD COMMITTEE

The Company has following committees of the Board:

- 1. Audit Committee
- 2. Nomination & Remuneration Committee
- 3. Stakeholder's Relationship Committee
- 4. Risk Management Committee
- 5. Investment/Borrowing Committee

The composition of each of the above committee, their respective role and responsibility is as detailed in the Report on Corporate Governance.

iv) RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Agreement. There are no materially significant Related Party transactions made by the Company with Promoters, Directors or Key Management Personnel etc. which may have potential conflict with the interest of the company at large.

All Related Party Transactions are presented to the Audit Committee and the Board. A statement of all related party transactions is presented before the Audit Committee specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at the Web Link: <http://orientgreenpower.com/Companies-Act-and-SEBI-Compliance.asp>.

The details of the transactions with Related Parties during the year, are provided in the accompanying financial statements.

v) VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Fraud Risk Management Policy (FRM) to deal with instance of fraud and mismanagement if any. The details of the FRM Policy are given in the Corporate Governance Report.

vi) EVALUATION OF THE BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

vii) REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination & Remuneration Committee and the Board. More details on the same are given in the Corporate Governance Report.

viii) RISK MANAGEMENT POLICY

The Company has in place a Risk Management Policy as per Regulations 21(4) of the SEBI (Listing Obligations and Disclosure Requirements) 2015. The policy provides integrated approach for managing the risks in various aspects of the business.

ix) POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company has always provided a congenial atmosphere for work to all the employees that is free from discrimination and harassment including sexual harassment. It has provided equal opportunities of employment to all without regard to their caste, religion, colour, marital status and sex. The Company has also framed a policy on "Prevention of Sexual Harassment" at workplace. There were no cases reported during the financial year under the said policy.

14) AUDITORS

a) Statutory Auditors

M/s Deloitte Haskins and Sells,(Registration No.008072S) Chartered Accountants, Chennai, Statutory Auditors of the Company had been appointed as Statutory Auditors of the Company as per Section 139 of the Companies Act, 2013 for a period of 3 years from the conclusion of Seventh Annual General Meeting till the conclusion of Tenth



Annual General Meeting, by the members at the Annual General Meeting held on August 12, 2014.

As per Section 139(1) of the Companies Act, 2013 the company shall place such appointment of the Statutory Auditors for ratification by members at ensuing annual general meeting.

Our comments on the financial statements referred to in the Auditors' Reports are given below:

- i). With regard to the Emphasis of Matters appearing in the Auditors' report, your attention is drawn to the Notes forming part of the Standalone Financial Statements for the year which are self-explanatory.
- ii). With regard to the comments of the Auditors' in their Report on the Consolidated Financial Statements, our responses are given in the Notes to the Consolidated Financial Statements, which are self-explanatory.

b) Internal Audit

Internal Audit of the company is handled by an independent Chartered Accountant firm for evaluating the adequacy of internal controls and concurrently reviews majority of the transactions in value terms.

Independence of the firm and compliance is ensured by the direct reporting of the firm to the Audit Committee of the Board.

c) Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Dr.B.Ravi, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report on the Secretarial Audit is annexed herewith as **"Annexure -E"**.

15) INSIDER TRADING

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

16) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rule 2014, is annexed herewith as **"Annexure-B "**.

17) PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197(2) read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 is annexed herewith as **"Annexure C"**

18) Extract of Annual Returns

The details forming part of the extract of the Annual Report in Form MGT -9 is annexed here with as **"Annexure-D"**.

19) ACKNOWLEDGEMENTS

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

S.Venkatachalam
Managing Director

T.Shivaraman
Director

Place: Chennai
Date: 18.05.2016



ANNEXURE-A

Form AOC -1 (Part- A)

(₹ in Lakhs)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turn over	Profit/ (Loss) before taxation	Provision for taxation	Profit/ (Loss) after taxation	Proposed Dividend	% of share holding
1	Global Powertech Equipments Pvt Ltd	March 31, 2016	INR	1,458.00	(4,072.06)	4,209.61	6,823.67	1.30	410.16	(1,293.37)	-	(1,293.37)	Nil	100.00%
2	Amrit Environmental Technologies Pvt Ltd	March 31, 2016	INR	1,700.00	(4,617.30)	1,172.79	4,090.10	-	-	(2,258.58)	-	(2,258.58)	Nil	100.00%
3	SM Environmental Technologies Pvt Ltd	March 31, 2016	INR	297.50	(1,347.28)	4,127.73	5,177.50	-	237.22	(701.57)	-	(701.57)	Nil	100.00%
4	Orient Bio Power Limited	March 31, 2016	INR	137.35	(693.30)	481.62	1,037.57	-	230.99	(34.29)	-	(34.29)	Nil	51.00%
5	Shriram Powergen Pvt Ltd	March 31, 2016	INR	1,236.82	(1,526.10)	3,391.59	3,680.88	-	780.21	(763.71)	(123.97)	(639.74)	Nil	73.95%
6	Shriram Nonconventional Energy Pvt Ltd	March 31, 2016	INR	1,382.78	(4,594.93)	2,379.59	5,591.75	-	51.04	(2,637.08)	-	(2,637.08)	Nil	73.96%
7	Sanjog Sugars & Eco Power Pvt Ltd	March 31, 2016	INR	158.66	(4,908.70)	5,938.22	10,688.26	-	1,017.29	(1,192.60)	-	(1,192.60)	Nil	83.92%
8	PSR Green Power Projects Pvt Ltd	March 31, 2016	INR	1,278.80	(2,950.45)	4,997.26	6,668.91	-	-	(875.39)	-	(875.39)	Nil	100.00%
9	Orient Green Power Company (Rajasthan) Pvt Ltd	March 31, 2016	INR	120.90	311.42	4,907.74	4,475.42	-	1,193.11	(821.50)	(93.15)	(728.34)	Nil	100.00%
10	Orient ECO Energy Ltd %	March 31, 2016	INR	895.00	(632.49)	303.33	40.82	-	-	4.58	-	4.58	Nil	60.00%
11	Gayathri Green power Pvt Ltd	March 31, 2016	INR	1,507.20	(993.43)	6,632.42	6,118.65	-	458.21	(932.10)	147.18	(1,079.28)	Nil	73.89%
12	Beta Wind Farm Pvt Ltd	March 31, 2016	INR	49,016.30	31,473.20	195,797.17	115,307.67	27.28	22,051.66	(4,082.26)	-	(4,082.26)	Nil	74.00%
13	Orient Green Power Europe B.V.	March 31, 2016	EURO*	4,077.86	(2,755.08)	10,389.44	9,066.65	-	1,538.61	(186.70)	-	(186.70)	Nil	100.00%
14	Bharat Windfarm Limited	March 31, 2016	INR	7,170.93	4,691.74	30,076.00	18,213.33	-	3,685.33	(2,711.57)	(131.67)	(2,579.90)	Nil	100.00%
15	Gamma Green Power Pvt Ltd	March 31, 2016	INR	2,792.28	(11,683.84)	16,931.94	25,823.50	-	2,296.53	(3,913.32)	-	(3,913.32)	Nil	69.90%
16	Statt Orient Energy Pvt Ltd #	March 31, 2016	LKR*	1,075.66	132.39	1,331.02	122.97	-	-	85.04	-	85.04	Nil	90.00%
17	Biobijee Green Power Limited #	March 31, 2016	INR	5.00	(0.83)	4.29	0.11	-	-	(0.62)	-	(0.62)	Nil	100.00%
18	Orient Green Power (Maharashtra) Pvt Ltd #	March 31, 2016	INR	0.02	(0.14)	0.10	0.22	-	-	(0.14)	-	(0.14)	Nil	100.00%
	Total			74,311.06	(4,167.18)	293,071.86	222,927.98	28.58	33,950.35	(22,315.18)	(201.62)	(22,13.56)	Nil	100.00%

* Ex Rates as on 31.03.2016	Currency	Balance Sheet	Profit & Loss
	1 Euro	Rs. 75.0573	Rs. 72.1059
	1 LKR	Rs. 0.4662	Rs. 0.4611

The Subsidiary is yet to commence operations.

% The Subsidiary is under liquidation.

** During the previous year ended 31 March 2015, the Company has divested the entire equity stake in its wholly owned subsidiary Theta Wind Farm Private Limited.

Form AOC -1 (Part- B)

(₹ in Lakhs)

Sl. No	Name of the Associate	Pallavi Power & Mines Ltd #
1	Last Audited Balance Sheet Date	March 31, 2016
2	Shares of the Associate held by the company on the year end (in nos.)	720,000
3	Amount of Investment in Associate	720.00
4	Extent of Holding (in %)	38.87%
5	Description of how there is Significant Influence	There is significant influence due to percentage(%) of equity share capital
6	Reason why the Associate is not Consolidated	Equity Method of Accounting for Profits of Associate is adopted
7	Net worth attributable to shareholding as per latest audited Balance Sheet	644.30
8	Profit/(loss) for the year	(8.58)
	(i) Considered in Consolidation	(0.39)
	(ii) Not Considered in Consolidation	(8.19)

The Associate is yet to commence operations.

For and on behalf of the Board of Directors

T. Shivaraman
Vice Chairman

S.Venkatachalam
Managing Director

K.V. Kasturi
Chief Financial Officer

P.Srinivasan
Company Secretary

Place : Chennai
Date : 18 May, 2016