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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENKO ENERGY HOLDINGS

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Greenko Energy Holdings (the Company) and its subsidiaries (together the Group), which comprise the consolidated statement of financial position as at 31 March 2017 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies, as set out on pages 7 to 46.

In our opinion, these consolidated financial statements give a true and fair view of the consolidated financial position of Greenko Energy Holdings as at 31 March 2017 and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the Report of the Directors. The other information does not include the consolidated financial statements and our auditors' report thereon.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENKO ENERGY HOLDINGS (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Other Information (continued)

Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENKO ENERGY HOLDINGS (CONTINUED)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Ebène, Mauritius

Date: **07 July 2017**

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENKO ENERGY HOLDINGS

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Greenko Energy Holdings (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the period from 12 June 2015 to 31 March 2016, and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that 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 International Standards on Auditing. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENKO ENERGY HOLDINGS (CONTINUED)

Report on the Consolidated Financial Statements (continued)

Auditors' Responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the entity'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 entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2016 and of its consolidated financial performance and consolidated cash flows for the period then ended in accordance with International Financial Reporting Standards.

KPMG

KPMG
Ebène, Mauritius

Date: 28 July 2016

B S R & Associates LLP

Chartered Accountants

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Independent Auditors' Report
To the Board of Directors of Greenko Mauritius

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Greenko Mauritius (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 20 November 2015, and the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the period for 11 month 20 days period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that 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 International Standards on Auditing. 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 disclosures in the consolidated financial statements. The procedures selected depend on our 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, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

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Independent Auditors' Report to the Board of Directors of Greenko Mauritius (continued)

Opinion

In our opinion, these consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 20 November 2015, and of its consolidated financial performance and its consolidated cash flows for the 11 month 20 days period then ended in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board.

Other matter

The consolidated financial statements of Greenko Mauritius for the nine months period ended 31 December 2014 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 29 July 2016.

for **B S R & Associates LLP**
Chartered Accountants
Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership number: 049642

Place: HYDERABAD
Date: 29 JULY 2016

(All amounts in US Dollars unless otherwise stated)

Consolidated statement of financial position

	Notes	Successor As at 31 March 2017	Successor As at 31 March 2016	Predecessor As at 20 November 2015
Assets				
Non-current assets				
Intangible assets and goodwill	8	444,831,297	398,642,521	138,225,672
Property, plant and equipment	9	2,470,042,228	1,429,808,400	1,254,452,247
Bank deposits	15	52,771,551	33,653,696	31,544,757
Other financial assets	10	185,381,569	3,950,420	16,654,813
Equity-accounted investees	29	50,231,686	-	-
Trade and other receivables	12	49,981,201	3,274,818	7,247,456
		3,253,239,532	**1,869,329,855**	**1,448,124,945**
Current assets				
Inventories	13	6,501,597	6,213,042	6,287,707
Trade and other receivables	12	151,810,255	82,576,431	82,535,555
Available-for-sale financial assets	11	1,993,880	902,305	93,941
Bank deposits	15	97,632,227	3,101,651	5,126,090
Current tax assets		3,870,506	2,111,122	1,519,282
Cash and cash equivalents	14	164,151,570	71,754,254	75,629,509
		425,960,035	**166,658,805**	**171,192,084**
Total assets		**3,679,199,567**	**2,035,988,660**	**1,619,317,029**
Equity and liabilities				
Equity				
Share capital	16	967,697,800	665,397,586	438,800,453
Share application money		-	-	6,810,739
Currency translation surplus/(deficit)		48,042,120	(3,235,562)	(182,012,419)
Other reserves		(1,251,317)	-	(229,145)
Retained earnings/(deficit)		(5,596,949)	(35,436,347)	84,374,242
Equity attributable to owners of the Company		**1,008,891,654**	**626,725,677**	**347,743,870**
Non-controlling interests		(1,097,092)	407,215	47,657,472
Total equity		**1,007,794,562**	**627,132,892**	**395,401,342**
Liabilities				
Non-current liabilities				
Retirement benefit obligations	21	1,914,946	1,077,439	794,999
Borrowings	18	2,005,297,158	1,129,801,079	1,038,541,755
Other financial liabilities	10	157,739,943	-	7,703,829
Deferred tax liabilities	19	126,086,210	99,776,544	50,988,150
Trade and other payables	17	22,166,076	13,004,265	11,026,338
		2,313,204,333	**1,243,659,327**	**1,109,055,071**
Current liabilities				
Trade and other payables	17	215,793,677	132,492,929	81,148,620
Other financial liabilities	10	36,934,000	-	-
Current tax liabilities		1,459,542	1,444,850	4,141,355
Borrowings	18	104,013,453	31,258,662	29,570,641
		358,200,672	**165,196,441**	**114,860,616**
Total liabilities		**2,671,405,005**	**1,408,855,768**	**1,223,915,687**
Total equity and liabilities		**3,679,199,567**	**2,035,988,660**	**1,619,317,029**

The notes are an integral part of these consolidated financial statements.

(All amounts in US Dollars unless otherwise stated)

Consolidated statement of profit or loss and other comprehensive income

	Notes	Successor		Predecessor
		For the year ended 31 March 2017	**For the period from 12 June 2015 to 31 March 2016**	**For the period from 1 January 2015 to 20 November 2015**
Revenue	20	190,315,862	27,191,501	130,785,936
Other operating income		536,018	93,288	334,392
Cost of material and power generation expenses		(17,928,727)	(6,394,042)	(13,828,145)
Employee benefits expense	22	(11,004,991)	(3,962,541)	(7,916,585)
Other operating expenses		(17,941,675)	(3,748,346)	(12,314,298)
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost	27	98,508,639	-	-
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**242,485,126**	**13,179,860**	**97,061,300**
Depreciation and amortisation	8&9	(65,928,217)	(16,714,500)	(29,626,940)
Operating income / (loss)		**176,556,909**	**(3,534,640)**	**67,434,360**
Finance income	23	5,382,618	578,152	1,534,812
Finance costs	23	(142,493,515)	(31,618,180)	(57,422,968)
Loan restructuring costs	24	(7,751,190)	-	-
Profit / (Loss) before tax		**31,694,822**	**(34,574,668)**	**11,546,204**
Income tax expense	25	(1,167,385)	(1,208,479)	(8,195,556)
Profit / (Loss) for the period		**30,527,437**	**(35,783,147)**	**3,350,648**
Share of loss from equity-accounted investees	29	(2,215,167)	-	-
Profit / (Loss) for the period		**28,312,270**	**(35,783,147)**	**3,350,648**
Attributable to:				
Owners of the Company		29,839,398	(35,436,347)	(237,445)
Non – controlling interests		(1,527,128)	(346,800)	3,588,093
		28,312,270	**(35,783,147)**	**3,350,648**

Greenko Energy Holdings
(All amounts in US Dollars unless otherwise stated)

Consolidated statement of profit or loss and other comprehensive income

	Successor		Predecessor
	For the year ended 31 March 2017	**For the period from 12 June 2015 to 31 March 2016**	**For the period from 1 January 2015 to 20 November 2015**
Profit / (Loss) for the period	**28,312,270**	**(35,783,147)**	**3,350,648**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	-	-	(2,157,814)
Items that will be reclassified subsequently to profit or loss			
Unrealised gains on available-for-sale financial assets	95,716	-	-
Exchange differences on translating foreign operations	51,277,682	(3,235,562)	(42,072,141)
Total other comprehensive income	**51,373,398**	**(3,235,562)**	**(44,229,955)**
Total comprehensive income	**79,685,668**	**(39,018,709)**	**(40,879,307)**
Total comprehensive income attributable to:			
Owners of the Company	81,212,796	(38,671,909)	(42,309,586)
Non-controlling interests	(1,527,128)	(346,800)	1,430,279
	79,685,668	**(39,018,709)**	**(40,879,307)**

The notes are an integral part of these consolidated financial statements.

Greenko Energy Holdings
(All amounts in US Dollars unless otherwise stated)

Consolidated statement of changes in equity

Successor:

	Ordinary shares	Currency Translation Deficit	Other reserves	Retained deficit	Total attributable to owners of Parent	Non-controlling interests	Total equity
At 12 June 2015	-	-	-	-	-	-	-
Issue of Ordinary Shares	665,397,586	-	-	-	665,397,586	-	665,397,586
Acquisition through business combination	-	-	-	-	-	713,309	713,309
Issue of shares to non-controlling interests in subsidiaries	-	-	-	-	-	40,706	40,706
	665,397,586	**-**	**-**	**-**	**665,397,586**	**754,015**	**666,151,601**
Loss for the period	-	-	-	(35,436,347)	**(35,436,347)**	(346,800)	**(35,783,147)**
Exchange differences on translating foreign operations	-	(3,235,562)	-	-	**(3,235,562)**	-	**(3,235,562)**
Total comprehensive income	**-**	(3,235,562)	-	(35,436,347)	**(38,671,909)**	(346,800)	**(39,018,709)**
At 31 March 2016	**665,397,586**	**(3,235,562)**	**-**	**(35,436,347)**	**626,725,677**	**407,215**	**627,132,892**
Issue of Ordinary Shares (Note 16)	302,300,214	-	-	-	302,300,214	**-**	302,300,214
Acquisition of non-controlling interests	-	-	(1,347,033)	-	(1,347,033)	(16,090)	(1,363,123)
Issue of shares to non-controlling interests in subsidiaries	-	-	-	-	-	38,911	38,911
	302,300,214	**-**	**(1,347,033)**	**-**	**300,953,181**	**22,821**	**300,976,002**
Profit for the year	-	-	-	29,839,398	**29,839,398**	(1,527,128)	**28,312,270**
Unrealised gains on available-for-sale financial assets	-	-	95,716	-	**95,716**	-	**95,716**
Exchange differences on translating foreign operations	-	51,277,682	-	-	**51,277,682**	-	**51,277,682**
Total comprehensive income	-	51,277,682	95,716	29,839,398	**81,212,796**	(1,527,128)	**79,685,668**
At 31 March 2017	**967,697,800**	**48,042,120**	**(1,251,317)**	**(5,596,949)**	**1,008,891,654**	**(1,097,092)**	**1,007,794,562**

(All amounts in US Dollars unless otherwise stated)

Predecessor:

	Share capital	Share application money	Currency Translation deficit	Other reserves	Retained earnings	Total attributable to owners of Parent	Non-controlling interests	Total equity
At 1 January 2015	**438,800,453**	**6,810,739**	**(139,940,278)**	**(229,145)**	**84,611,687**	**390,053,456**	**46,227,193**	**436,280,649**
Profit/(Loss) for the period	-	-	-	-	(237,445)	(237,445)	3,588,093	3,350,648
Exchange differences on translating foreign operations	-	-	(42,072,141)	-	-	(42,072,141)	(2,157,814)	(44,229,955)
Total comprehensive income	-	-	(42,072,141)	-	(237,445)	**(42,309,586)**	1,430,279	**(40,879,307)**
At 20 November 2015	**438,800,453**	**6,810,739**	**(182,012,419)**	**(229,145)**	**84,374,242**	**347,743,870**	**47,657,472**	**395,401,342**

The notes are an integral part of these consolidated financial statements.

(All amounts in US Dollars unless otherwise stated)

Consolidated cash flow statement

		Note	Successor		Predecessor
			For the year ended 31 March 2017	For the period from 12 June 2015 to 31 March 2016	For the period from 1 January 2015 to 20 November 2015
A.	**Cash flows from operating activities**				
	Profit/(Loss) before tax		31,694,822	(34,574,668)	11,546,204
	Adjustments for				
	Depreciation and amortisation	8 & 9	65,928,217	16,714,500	29,626,940
	Finance income		(5,382,618)	(578,152)	(1,534,812)
	Finance costs		142,493,515	31,618,180	57,422,968
	Loan restructuring costs		7,751,190	-	-
	Excess of Group's interest in the fair value of acquiree's assets and liabilities over cost		(98,508,639)	-	-
	Changes in working capital				
	Inventories		(141,461)	(218,850)	4,412,368
	Trade and other receivables		(24,103,629)	1,281,748	(4,993,860)
	Trade and other payables		(91,770,230)	(13,711,065)	6,732,239
	Cash generated from operations		**27,961,167**	**531,693**	**103,212,047**
	Taxes paid		(8,606,513)	(3,237,141)	(4,735,875)
	Net cash from/(used) in operating activities		**19,354,654**	**(2,705,448)**	**98,476,172**
B.	**Cash flows from investing activities**				
	Purchase of property, plant and equipment and capital expenditure		(464,497,227)	(88,709,767)	(295,079,248)
	Acquisition of business, net of cash and cash equivalents acquired*		(51,276,687)	(276,881,755)	(12,603,162)
	Investment in mutual funds		-	(798,751)	-
	Investment in Equity-accounted investees		(52,238,812)	-	-
	Advance for purchase of equity		(45,078,147)	-	(900,407)
	Advances from Equity-accounted investees, net		11,215,321	-	-
	Consideration paid for acquisitions made by subsidiaries		(260,401)	(451,247)	(867,496)
	Bank deposits		(103,384,433)	(821,720)	(193,676)
	Interest received		4,870,936	578,004	1,489,177
	Net cash used in investing activities		**(700,649,450)**	**(367,085,236)**	**(308,154,812)**
C.	**Cash flows from financing activities**				
	Proceeds from issue of shares		302,300,214	433,519,071	-
	Proceeds from non-controlling interests		38,911	40,161	-
	Proceeds from borrowings		1,085,333,737	68,318,953	270,172,959
	Repayment of borrowings		(428,595,770)	(8,423,601)	(13,515,926)
	Interest paid		(184,945,792)	(51,287,444)	(73,005,474)
	Net cash from financing activities		**774,131,300**	**442,167,140**	**183,651,559**
	Net increase/(decrease) in cash and cash equivalents		**92,836,504**	**72,376,456**	**(26,027,081)**
	Cash and cash equivalents at the beginning of the period	14	71,754,254	-	109,869,537
	Exchange losses on cash and cash equivalents		(439,188)	(622,202)	(8,212,947)
	Cash and cash equivalents at the end of the period	14	**164,151,570**	**71,754,254**	**75,629,509**

Successor:

*On 20 November 2015, the Company acquired shares of Greenko Mauritius ("Predecessor") from Greenko Group PLC, GEEMF III GK Holdings MU ("GEEMF") and Cambourne Investments Pte. Ltd. ("Cambourne") (collectively referred as "selling shareholders") for a consideration of US$ 584,389,778. In addition to cash payment of US$ 352,511,264 to selling shareholders and consideration of US$ 231,878,514 is discharged by way of issue of Company's ordinary shares to Cambourne. Cash and cash equivalents acquired on business combination is US$ 75,629,509 (Refer note 6).

The notes are an integral part of these consolidated financial statements.

1. General information

Greenko Energy Holdings ("the Company" or "Successor" or "Parent") is a company domiciled in Mauritius and registered as a company limited by shares under company number C130988 pursuant to the provisions of the Mauritius Companies Act 2001. The registered office of the Company is at 11th Floor, Medine Mews, La Chaussee Street, Port Louis, Mauritius. The Company was incorporated on 12 June 2015.

The principal activity of the company is that of investment holding.

Greenko Mauritius ("Predecessor") together with its subsidiaries are in the business of owning and operating clean energy facilities in India. On 20 November 2015, Greenko Energy Holdings ("Successor") acquired 100% of Greenko Mauritius ("Predecessor") in series of transactions with certain controlling stakeholders ("the Acquisition"). All the energy generated from these plants is sold to state utilities, captive consumers, direct sales to private customers and other electricity transmission and trading companies in India through a mix of long-term power purchase agreements ("PPA"), short-term power supply contracts and spot markets of energy exchanges. The Group holds licence to trade up to 500 million units of electricity per annum in the whole of India except the state of Jammu and Kashmir. The Group is also a part of the Clean Development Mechanism ("CDM") process and generates and sells emissions reduction benefits such as Certified Emission Reductions ("CER") and Renewable Energy Certificates ("REC").

The Company together with its subsidiaries and the Predecessor together with its subsidiaries hereinafter referred to as "the Group" in respective periods.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by International Accounting Standards Board ("IFRS"). The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss.

The accompanying consolidated financial statements as of 31 March 2017 and for the year ended thereof, as of 31 March 2016 and for the period from 12 June 2015 to 31 March 2016 includes accounts of the Company and its subsidiaries ("the successor").

The consolidated financial statements of Predecessor as of 20 November 2015 and for the period before 20 November 2015, the date of Acquisition, reflect the "pre-acquisition" financial position, results of operations and cash flows of the predecessor prepared on the historical basis of accounting prior to the Acquisition. The Acquisition was accounted for as a purchase in accordance with the IFRS 3 "Business Combination" which resulted in new valuations of the assets and liabilities, based on their estimated fair values as of the Acquisition date.

The consolidated financial statements of the successor are presented for a period of twelve months for the year ended 31 March 2017 and for a period of 9 months 19 days for the period ended 31 March, 2016. The predecessor financial statements are presented for the period of 11 months 20 days ended 20 November 2015. Due to the different period lengths of each of financial period, the comparative amounts for the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and related notes are not directly comparable with one another.

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial information are disclosed in the critical accounting estimates and judgments section (note 5).

The purpose of this financial statements is for inclusion in the Offering Memorandum in relation to proposed issue of Senior Notes by Greenko Dutch B.V. a subsidiary of the Company.

2.2 Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its return.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are any changes to one or more of the three elements of the control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give its power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holdings;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangement; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Non-Controlling Interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even of this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financials statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Changes in the Group's ownership interests in existing subsidiaries

The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted/by applicable IFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value at initial recognition for subsequent accounting under IAS 39 "Financial Instruments – Recognition and Measurement", or applicable the cost on initial recognition of an investment in an associate or a joint venture.

Equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

Transactions eliminated on consolidation

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation. Unrealised gains arising from transactions with equity-accounted investees are considered as deferred gain in these consolidated financial statements.

2.3 Business combination

The acquisition method of accounting is used to account for the acquisition of businesses by the Group. The cost of an acquisition is measured as the fair value of the assets acquired, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the entity acquired, the difference is recognised directly in profit or loss. Acquisition related costs are expensed as incurred.

If the business combination is achieved in stages, previously held identifiable assets, liabilities and contingent liabilities of the acquired entity are revalued to their fair value at the date of acquisition, being the date at which the Group achieves control of the acquired entity. Further the equity interest previously held by the Group is re-measured at its acquisition-date fair value and any resulting gain or loss is recognised in the statement of profit or loss.

Initial estimates of consideration transferred and fair values of assets acquired and liabilities assumed are finalised within twelve months after the date of acquisition and any adjustments are accounted for as retroactive adjustments to goodwill. Beyond this twelve-month period, any adjustment is directly recognised in the statement of profit or loss.

When the consideration transferred by the Group in the business combination included assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The subsequent accounting for changes in the fair value of the contingent consideration depends on how the contingent consideration is classified. Contingent consideration that is qualified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is re-measured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in the profit or loss.

2.4 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements in each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in 'United States Dollar' ("$"), which is the Company's functional and presentation currency. The functional currency of Group's primary subsidiaries is Indian Rupee ("INR").

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to financial liabilities are presented in the income statement within "Finance costs".

c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities presented for each reporting date are translated at the closing rate at the reporting date;
- income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions);
- resulting exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve within equity; and
- statement of cash flows is translated at average exchange rate for the period whereas cash and cash equivalents are translated at closing rate at the reporting date.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that are attributable to the non-controlling interests is derecognised and is not reclassified to profit or loss.

On the partial disposal of a subsidiary that includes a foreign operation, the entity shall re-attribute the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income to the non-controlling interests in that foreign operation.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the end of each reporting date.

2.5 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items and borrowing cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Group and the cost of the item can be measured reliably. All repairs and maintenance expenditure are charged to profit or loss during the period in which they are incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Asset category	Useful life
Buildings	30 – 35 years
Plant and machinery	20 – 36 years
Furniture, fixtures and equipment	5 – 10 years
Vehicles	10 years

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit or loss in the period the item is derecognised.

In case of projects constructed on lease hold land, useful life is considered at primary lease period or estimated useful life whichever is earlier. Costs incurred for land rights are amortised over the period of primary lease. Capital work-in-progress comprises costs of property, plant and equipment that are under construction and not yet ready for their intended use at the reporting date and the outstanding advances given for construction of such property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.6 Intangible assets

a) Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

b) Other intangibles

Intangible assets acquired individually, with a group of other assets or in a business combination are carried at cost less accumulated amortization and any impairment in value. The intangible assets are amortised over their estimated useful lives in proportion to the economic benefits consumed in each period. The estimated useful lives of the intangible assets are as follows:

Asset category	Useful life
Licences	14 – 40 Years
Power purchase agreements ("PPA")	5 - 25 Years

Amortisation of intangible assets is included within 'Depreciation and amortisation'.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually, or more frequently when there is an indication that the asset may be impaired. Assets that are subject to amortization and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Value-in-use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of the money and risk specific to the asset or CGU. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.8 Impairment of non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, including an interest in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise.
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial asset.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available-for-sale are not reversed through profit or loss.

Financial assets measured at amortised cost

The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

2.9 Financial assets

The Group classifies its financial assets (non-derivative financial assets) in the following categories: loans and receivables, financial assets at fair value through profit and loss (FVTPL) and available for sale. The classification depends on the purpose for which the financial asset was acquired. Management determines the classification of its financial assets at initial recognition.

The Group recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

The fair value of the investment in mutual fund units is based on the net asset value publicly made available by the respective mutual fund managers. The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment testing of trade receivables is described in note 2.13.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in profit or loss.

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables, bank deposits and cash and cash equivalents in the statement of financial position (notes 2.13, 2.14 and 2.15). Loans and receivables are initially recognised at fair value plus transaction costs. Loans and receivables are carried at amortised cost using the effective interest method.

b) Financial assets at Fair value through profit or loss

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into FVTPL category. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists. Transactions costs which are directly attributable to financials assets at FVTPL is recognised in profit or loss.

c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Available-for-sale financial assets are subsequently carried at fair value.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised as other comprehensive income are included in the profit or loss. Dividends on available-for-sale mutual fund units are recognised in the profit or loss as a part of other income.

2.10 Financial liabilities and equity instruments

2.10.1 Classification as debt or equity

Debt and equity instruments issued by the group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.10.2 Equity instruments

An equity instruments is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group entity is recognised at the proceeds received, net of direct issue costs.

2.10.3 Financial liabilities

Financial liabilities are classified as either 'Fair value through profit and loss (FVTPL)' or 'other financial liabilities'.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when liabilities are classified as FVTPL when held-for-trading or is designated as such on initial recognition.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability. Fair value is determined in the manner described in Note 10. The Group does not have any financial liabilities classified or designated as FVTPL.

Other financial liabilities

Other financial liabilities (including borrowings, other financial liabilities and trade and other payables) are initially measured at fair value less any transaction costs and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.11 Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange risks, including foreign exchange forward contracts. Further details of derivative financials instruments are disclosed in note 10.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

2.11.1 Embedded derivatives

Derivatives embedded in non-derivative host contracts are traded as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not, measured at FVTPL.

Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

2.11.2 Compound instruments

The compound parts of compound instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. Conversion options that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments are equity instruments.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity as determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently re-measured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital / share premium. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to other reserves in equity. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allotted to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.12 Inventories

a) Raw material, stores and consumables

Inventories of raw material, stores and consumables are valued at the lower of cost and net realisable value. Cost includes expenses incurred in bringing each product to its present location and condition and is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

b) Renewable Energy Certificates ("REC")

Inventories of REC are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Electricity and RECs are treated as joint products, as they are generated simultaneously. Cost of generation is allocated in the ratio of relative net sale value of the products. Cost comprises all production, acquisition and conversion costs and is aggregated on a weighted average basis. To the extent that any impairment arises, losses are recognised in the period they occur. The costs associated with generating inventories are charged to the profit or loss in the same period as the related revenues are recognised.

2.13 Trade and other receivables

Trade receivables are recognised initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. Trade receivables are shown inclusive of unbilled amounts to customers. The carrying amounts, net of provision for impairment, reported in the statement of financial position approximate the fair value due to their short realisation period. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The provision is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the receivables' original effective interest rate. The amount of the provision is recognised in the profit or loss.

2.14 Bank deposits

Bank deposits represent term deposits placed with banks earning a fixed rate of interest. Bank deposits with maturities of less than a year are disclosed as current assets and more than one year as non-current assets. At the reporting date, these deposits are measured at amortised cost using the effective interest method. Cash and cash equivalents which are pledged with the banks for availing term loans are classified as part of bank deposits.

2.15 Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value. Bank overdrafts that are an integral part of cash management and where there is a legal right of set–off against positive cash balances are included in cash and cash equivalents.

2.16 Equity

Ordinary shares are classified as equity and represent the nominal value of shares that have been issued.

Retained earnings include current period profits.

All transactions with owners of the Parent are recorded separately within equity.

Other reserves include all other transactions with the owners in their capacity as owners, impact of changes in the ownership interest do not result in loss of control and fair value adjustments.

Currency translation reserve – represents foreign currency translation differences arising on the translation of the Group's foreign entities.

Incremental costs directly attributable to the issue of ordinary shares are recognised as deduction from equity.

2.17 Current and deferred income tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

2.18 Employee benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the period in which the associated services are rendered by employees of the Group. The Group also operates retirement benefit plans for its employees.

a) Gratuity plan

The Gratuity Plan is a defined benefit plan that, at retirement or termination of employment, provides eligible employees with a lump sum payment, which is a function of the last drawn salary and completed years of service. The liability recognised in the statement of financial position in respect of the gratuity plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Government of India securities that have terms to maturity approximating to the terms of the related gratuity liability.

Re-measurement, comprising actuarial gain and losses, the effect of changes to the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Service cost on the net defined benefit liability is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs.

b) State administered Provident Fund

Under Indian law, employees are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate of the employees' basic salary. The Group has no further obligation under the Provident Fund beyond its contribution, which is expensed when accrued.

2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

2.20 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable in accordance with the relevant agreements, net of discounts, rebates and other applicable taxes and duties.

a) Sale of electricity

Revenue from the sale of electricity is recognised on the basis of the number of units of power exported in accordance with joint meter readings undertaken with transmission companies at the rates prevailing on the date of export as determined by the power purchase agreement/feed-in-tariff policy/market rates as applicable less the wheeling and banking charges applicable if any. Claims for delayed payment charges and other claims, if any, are recognised as per the terms of power purchase agreements only when there is no uncertainty associated with the collectability of this claims.

b) Sale of REC

Revenue from sale of RECs is recognised after registration of the project with central and state government authorities, generation of power and execution of a contract for sale through recognised energy exchanges in India.

c) Generation Based Incentive (GBI)

Revenue from GBI is recognised based on the number of units exported and if the eligibility criteria is met in accordance with the guidelines issued by regulatory authority for GBI Scheme.

2.21 Finance income

Interest income is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established

2.22 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

2.23 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

2.24 Presentation of 'EBITDA' on the statement of profit or loss

The Group has included a sub-total 'Earnings before interest, tax, depreciation and amortisation' (EBITDA) in the statement of profit or loss. The Directors believes that EBITDA is meaningful for investors because it provides an analysis of the Group's operating results, profitability and ability to service debt and because EBITDA is used by the Group's chief operating decision makers to track the Group's business evolution, establish operational and strategic targets and make important business decisions. EBITDA is calculated as earnings before interest, taxes depreciation and amortisation.

EBITDA is not a measure of financial performance under IFRS. The calculation of EBITDA by the Group may be different from the calculations of similarly labelled measures used by other companies and it should therefore not be used to compare one company against another or as a substitute for analysis of the Group's operating results as reported under IFRS. EBITDA is not a direct measure of the Group's liquidity, nor is it an alternative to cash flows from operating activities as a measure of liquidity, and it needs to be considered in the context of the Group's financial commitments.

3. Recent Accounting Pronouncements

The following standards which may be significant to the Group, have been issued but are not yet effective:

IFRS 9- Financial instruments

In July 2014, the IASB issued the final version of IFRS 9, "Financial instruments". IFRS 9 significantly differs from IAS 39, "Financial Instruments: Recognition and Measurement", and includes a logical model for classification and measurement, a single, forward looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. The Group believes that the new standard will impact the classification of group's financial instruments and measurement of impairment of certain financial assets on account of "expected loss" model.

IFRS 15 – Revenue from Contracts with Customers.

IFRS 15 supersedes all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations). IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. Enhanced disclosures will be required, including disaggregation of total revenue; information about performance obligation; changes in contract asset and liability account balances between periods and key judgments and estimates.

The standard allows for two methods of adoption: the full retrospective adoption, which requires the standard to be applied to each prior period presented, or the modified retrospective adoption, which requires the cumulative effect of adoption to be recognised as an adjustment to opening retained earnings in the period of adoption. The standard is effective for periods beginning on or after January 1, 2018. Early adoption is permitted.

The Group does not plan to early adopt IFRS 15 and will adopt the same on April 1, 2018 by using the full retrospective transition method to restate each prior reporting period presented.

According to the new standard, revenue is recognised to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, contract modifications, and contract costs) and improve guidance for multiple-element arrangements. The Group is currently assessing the impact of adopting IFRS 15 on its consolidated financial statements and related disclosures.

IFRS 16 – Leases

On January 13, 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers. The Group is currently assessing the impact of adopting IFRS 16 on the Group's consolidated financial statements.

IFRIC 22- Foreign currency transactions and Advance consideration

On December 8, 2016, the IFRS interpretations committee of the International Accounting Standards Board issued IFRIC 22, Foreign currency transactions and Advance consideration which clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration in a foreign currency.

The effective date for adoption of IFRIC 22 is annual reporting periods beginning on or after January 1, 2018, though early adoption is permitted. The Group is currently assessing the impact of IFRIC 22 on its consolidated financial statements.

Amendments to IAS 7- Statement of cash flows

In January 2016, the International Accounting Standards Board issued the amendments to IAS 7, requiring the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The effective date for adoption of the amendments to IAS 7 is annual reporting periods beginning on or after January 1 2017, though early adoption is permitted. The Group is assessing the disclosure requirements of the amendment and the effect on its consolidated financial statements.

IFRIC 23, Uncertainty over Income Tax treatments

On June 7, 2016, the IFRS Interpretations Committee issued IFRIC 23, which clarifies how the recognition and measurement requirements of IAS 12 "Income taxes", are applied where there is uncertainty over income tax treatments. IFRIC 23 explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the applicable tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under applicable tax law. The interpretation provides specific guidance in several areas where previously IAS 12 was silent. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation applies for annual periods beginning on or after January 1 2019 with early adoption permitted.

Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12)

The amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments are effective for annual periods beginning on or after 1 January 2017, with early adoption permitted. The Group is assessing the potential impact on its consolidated financial statements resulting from the amendments. So far, the Group does not expect any significant impact.

4. Financial risk management

The Group's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The financial instruments of the Group, other than derivatives, comprise bank borrowings, term loans from financial institutions, senior notes, notes, cash and cash equivalents, bank deposits, trade and other receivables, available for sale investments, trade and other payables and other financial liabilities

4.1. Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated into: a) Foreign exchange risk and b) Interest rate risk

a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The operations of the Group are conducted in functional currency of its subsidiaries. The Indian entities having INR as functional currency has no significant transactions in currency other than INR. The group's foreign exchange risk arises from debt investments made in Indian operations. Consequently the group use derivative financial instruments such as foreign exchange option and forward contracts to mitigate the risk of changes in foreign currency exchange rates.

The translation of INR subsidiaries into USD for the consolidated financial statements of Group is only for the purpose of converting the financial statements into presentation currency and the currency differences are taken to OCI. The same has no impact on the Group's cash flow.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Group has no significant interest-bearing assets other than investment in bank deposits, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group considers the impact of fair value interest rate risk on investment in bank deposits are not material as majority of the non-current bank deposits do not carry any interest. A significant portion the Group's borrowing carries fixed rate of interest, however, as these debts are carried at amortised cost, there is no fair value interest rate risk to the Group. The Group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

A reasonably possible change of variable interest rates on borrowings by 50 basis points higher or lower, the post-tax profit/loss for the period would have been lower or higher by US$1,447,782 (31 March 2016: US$850,308, 20 November 2015: US$297,303).This analysis assumes that all other variables remain constant.

4.2. Credit risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk arises from accounts receivable balances on sales to customers. In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty (non-government) or any group of counterparties having similar characteristics. Significant portion of the Group's revenue is derived from sales to state owned utilities and corporations under long-term power purchase agreements and hence, potential risk of default is predominantly a governmental one. The Group's also has trade receivables due from private parties. The Group is paid monthly by the customers for electricity sales. The Group assesses the credit quality of the purchaser based on its financial position and other information (Refer Note 10 for details). The maximum exposure to credit risk for available-for-sale financial assets, bank deposits and bank balances at the reporting date is the fair value of the amount disclosed in note 11, 14 and 15.

The Group maintains banking relationships with only creditworthy banks which it reviews on an on–going basis. The Group enters into derivative financial instruments where the counter-party is generally a bank. Consequently, the credit risk on the derivatives and bank deposits is not considered material.

(All amounts in US Dollars unless otherwise stated)

4.3. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and maintaining adequate credit facilities.

The Group intends to be acquisitive in the immediate future. In respect of its existing operations, the Group funds its activities primarily through long-term loans secured against each power plant. The Group's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level. In respect of each acquisition, the Group prepares a model to evaluate the necessary funding required. The Group's strategy is to primarily fund such acquisitions by assuming debt in the acquired companies. In relation to the payment towards equity component of companies to be acquired, the Group ordinarily seeks to fund this by the injection of external funds by debt or equity.

The Group has identified a large range of acquisition opportunities which it is continually evaluating and which are subject to constant change. In respect of its overall business, the Group therefore does not, at the current time, maintain any overall liquidity forecasts. The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities and the data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below.

The amounts disclosed in the table represent the maturity profile and are the contractual undiscounted cash flows.

Successor:

At 31 March 2017	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	2,109,310,611	104,347,293	73,634,996	1,026,495,147	945,810,751	2,150,288,187
- Interest	-	180,832,301	169,739,544	391,525,027	300,990,927	1,043,087,799
Trade and other payables	237,959,753	215,793,677	155,768	22,010,308	-	237,959,753
Other liabilities	194,673,943	38,866,681	36,373,000	96,739,000	47,586,000	219,564,681
Total	**2,541,944,307**	**539,839,952**	**279,903,308**	**1,536,769,482**	**1,294,387,678**	**3,650,900,420**

At 31 March 2016	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	1,161,059,741	31,258,662	50,636,835	769,411,959	302,729,686	1,154,037,142
- Interest	-	110,129,439	107,733,524	427,657,542	184,364,753	829,885,258
Trade and other payables	145,497,194	132,492,929	152,269	12,851,996	-	145,497,194
Total	**1,306,556,935**	**273,881,030**	**158,522,628**	**1,209,921,497**	**487,094,439**	**2,129,419,594**

Predecessor:

At 20 November 2015	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	1,068,112,396	29,570,641	41,272,234	620,333,615	398,984,777	1,090,161,267
- Interest	-	100,582,472	98,257,303	215,647,379	199,114,214	613,601,368
Trade and other payables	92,174,958	81,148,620	152,822	10,873,516	-	92,174,958
Total	**1,160,287,354**	**211,301,733**	**139,682,359**	**846,854,510**	**598,098,991**	**1,795,937,593**

The entities forming part of the group, generate their own independent cash flows and while determining projected net cash flows, management used certain assumptions based on its current and future operations. The projected cash flows of these entities are based on the capacity utilization and net cash generated from the existing projects, technical report for wind, hydro and solar and long-term power purchase agreements entered for the projects which in the process of commencement of commercial production.

The net cash flows expected to be generated from the projects shall be sufficient to meet the group's operating and finance costs for the next 12 months.

5. Critical accounting judgements and key sources of estimating uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial information and the reported amounts of revenue and expenses during the reporting period. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources.

5.1. Critical judgments in applying the accounting policies

a) Application of business combination accounting rules, including identification and valuation of intangible assets acquired in a business combination

The Group allocates the purchase price of the acquired companies to the tangible, intangible and other assets acquired and liabilities assumed based on their estimated fair values. The Group engages third-party external appraisal firms to assist in determining the fair values of the acquired assets and liabilities. Such valuation requires the Group to make significant estimate and assumptions, especially with respect to identification and valuation of intangible assets.

b) Application of lease accounting rules

Significant judgment is required to apply lease accounting rules under IFRIC 4 "Determining whether an Arrangement contains a Lease" and IAS 17 "Leases". In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate customer's right to use the underlying assets, substance of the transaction including legally enforced arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under IFRIC 4.

c) Application of interpretation for service concession arrangements

Management has assessed applicability of IFRIC 12: Service Concession Arrangements for certain arrangements that are part of business combinations. In assessing the applicability the management has exercised significant judgement in relation to the underlying ownership of the assets, the ability to enter into power purchase arrangements with any customer, ability to determine prices, useful life etc., in concluding that the arrangements do not meet the criteria for recognition as service concession arrangements.

d) Assessment of long-term receivables from foreign operations

The Group has considered its investment in non-convertible debentures of Indian subsidiaries as part of its net investment in foreign operations. The Group has considered these receivables as long-term receivables from foreign operations, as in view of the management, the settlement of these receivables is neither planned, nor likely to occur in the foreseeable future. Accordingly, all exchange differences on translation of these receivables are recognised in other comprehensive income.

5.2. Key sources of estimating uncertainty

a) Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgment to determine an appropriate method and make assumptions that are based on market conditions existing at each reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

b) Income taxes

The Group is subject to income taxes in multiple jurisdictions. Significant judgment is required in determining provision for income taxes. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

c) Contingencies

The Group is involved in disputes, lawsuits, claims, governmental and / or regulatory proceedings that arise from time to time in the ordinary course of business. The Group assesses the need to make a provision for a liability for such claims and record a provision when the Group determines that a loss related to a matter is both probable and reasonably estimable.

Because litigation and other contingencies are inherently unpredictable, the Group's assessment can involve judgments about future events. Often, these issues are subject to uncertainties and therefore the probability of a loss, if any, being sustained and an estimate of the amount of any loss are difficult to ascertain. This is due to a number of factors, including: the stage of the proceedings (in many cases trial dates have not been set) and the overall length and extent of pre-trial discovery; the entitlement of the parties to an action to appeal a decision; clarity as to theories of liability; damages and governing law; uncertainties in timing of litigation; and the possible need for further legal proceedings to establish the appropriate amount of damages, if any. Consequently, in case of claims, where it is not possible to make a reasonable estimate of the expected financial effect that will result from ultimate resolution of the proceedings, the information with respect to the nature and facts of the case are disclosed.

d) Estimated impairment of goodwill

In accordance with the accounting policy stated in note 2.7, the Group tests annually whether goodwill has suffered any impairment. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates including future operating margins and discount rates.

e) Useful life of depreciable assets

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation and amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Refer note 2.5 and 2.6 for estimated useful life.

f) Going Concern

The Directors have considered the financial position of the Group, its cash position and forecast cash flows for the 12 months period from the date of these consolidated financial statements. The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue its operational existence for a foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these consolidated financial statements.

(All amounts in US Dollars unless otherwise stated)

6. Acquisition of Greenko Mauritius ("Predecessor")

On 20 November 2015, the Company acquired 100% shareholding in Greenko Mauritius ("Predecessor") from Greenko Group Plc, GEEMF III GK Holdings MU ("GEEMF") and Cambourne Investment Pte Ltd ("Cambourne") through multiple Share Purchase Agreements ("SPA') for a consideration of US$ 584,389,778.

The Company has accounted for the transaction under IFRS 3, "Business Combinations" in the consolidated financial statements and allocated the aggregate purchase consideration as follows:

Description	Amount (US$)
Total consideration	584,389,778
Identifiable assets acquired	
Property, Plant and Equipment	1,328,901,416
Intangible assets	151,501,580
Cash and cash equivalents	75,629,509
Bank deposits	36,670,847
Non-cash working capital	16,464,403
Available for sale financial assets	93,941
Knock-out call option settlement amount	1,010,000
Other non-current financial assets	3,634,467
Identifiable liabilities assumed	
Debt taken over	(1,101,781,594)
Retirement benefit obligations	(794,999)
GE liability (Refer Note below)	(78,000,000)
Non-controlling interests	(713,309)
Deferred tax liability	(98,845,300)
Net assets acquired	**333,770,961**
Goodwill	**250,618,817**

The acquired receivables represent the fair value and the best estimate at the acquisition date of the cash flows from these receivables are all expected to be collected.

The above mentioned consideration is settled by cash payment of US$ 352,511,264 to Greenko Group Plc and GEEMF and US$ 231,878,514 by way of issue of Company's ordinary shares to Cambourne.

The total goodwill of US$250,618,817 is primarily attributable to the assemble work force, intangible assets that do not qualify for separate recognition and the expected synergies. The said goodwill is not deductible for tax purposes. Transaction cost incurred amounting to US$ 900,309 is recognised in profit or loss.

The acquired group comprises of an investment of US$ 50,000,000 by GE Equity International Mauritius ("GE") to indirectly acquire Class A equity shares and compulsorily convertible cumulative preference shares ("CCPS') of Greenko Wind Projects Pvt Ltd ("Greenko Wind"), one of the subsidiaries of Greenko Mauritius. GE had certain preferential rights as to payment of dividends and on liquidation in Greenko Wind. Greenko Mauritius ("Predecessor") had an option to call on GE to buy CCPS while GE had an option to put any of the Class A equity shares and CCPS to Greenko Mauritius ("Predecessor") as per the terms of the agreement. The options should be exercised at such prices which would provide GE with certain protective returns as per the terms of the agreements. This instrument was construed as a compound instrument with components of equity and liability. However subsequent to the acquisition, Greenko Mauritius ("Predecessor") entered into a Share Purchase Agreement wherein Greenko Mauritius ("Predecessor") agreed to purchase the shares held by GE for a consideration of US$ 78,000,000. Accordingly this consideration is reflected as liability assumed as part of business combination.

(All amounts in US Dollars unless otherwise stated)

7. Subsidiaries

7.1. Principal subsidiaries

Set out below are the details of the Group's material subsidiaries at the end of reporting periods. Unless otherwise stated, the subsidiaries as listed below have share capital consisting of ordinary shares except in cases mentioned below, which are held directly by the Group and the proportion of ownership interests held equals to the voting rights held by Group. The country of incorporation or registration is also their principal place of business.

			Successor		Predecessor
	Country of incorporation	Principal business	Holding as at 31 March 2017	Holding as at 31 March 2016	Holding as at 20 November 2015
Greenko Mauritius	Mauritius	Intermediate holding company	100%	100%	NA
Greenko Investment Company*	Mauritius	Intermediate financing company	100%	-	-
Greenko Dutch B.V.	Netherlands	Intermediate financing company	100%	100%	100%
Greenko Energies Private Limited	India	Indian holding company	100%	100%	100%
Animala Wind Power Private Limited	India	Generation of power	100%	100%	100%
Axis Wind Farms (MPR Dam) Private Limited	India	Generation of power	74%	74%	-
Devarahipparigi Wind Power Private Limited	India	Generation of power	100%	100%	100%
Fortune Five Hydel Projects Private Limited	India	Generation of power	100%	100%	100%
Greenko Budhil Hydro Power Private Limited	India	Generation of power	100%	100%	100%
Greenko Rayala Wind Power Private Limited	India	Generation of power	100%	100%	100%
Ratnagiri Wind Power Projects Private Limited	India	Generation of power	100%	100%	100%
Saipuram Wind Energies Private Limited	India	Generation of power	100%	100%	100%
SEI Adhavan Power Private Limited#	India	Generation of power	100%	-	-
SEI Kathiravan Power Private Limited#	India	Generation of power	100%	-	-
SEI Phoebus Private Limited#	India	Generation of power	100%	-	-
Sneha Kinetic Power Projects Private Limited	India	Generation of power	100%	99.97%	99.97%
Tanot Wind Power Ventures Private Limited	India	Generation of power	100%	100%	100%
Vyshali Energy Private Limited	India	Generation of power	74%	100%	100%

* Incorporated during the year.
# Acquired during the year.

(All amounts in US Dollars unless otherwise stated)

7.2. Composition of the Group

In addition to above material subsidiaries, the Group has 111 (31 March 2016: 55, 20 November 2015: 53) subsidiaries based in India and 6 (31 March 2016: 5, 20 November 2015: 4) subsidiaries incorporated and based in Mauritius. The principal activity of Indian subsidiaries is owning, developing, constructing, operating and maintaining power projects. The Mauritian subsidiaries are primarily intermediate holding companies.

Set out below are the details of the Group's significant equity-accounted investee of reporting periods.

Sl No		% of equity holding
1.	Aarish Solar Power Private Limited	49%
2.	Aashman Energy Private Limited	49%
3.	Divyesh Power Private Limited	49%
4.	Elena Renewable Energy Private Limited	49%
5.	Pratyash Renewable Private Limited	49%
6.	SEI Baskara Power Private Limited	49%
7.	SEI Enerstar Renewable Energy Private Limited	49%
8.	SEI Mihir Energy Private Limited	49%
9.	Shreyas Renewable Energy Private Limited	49%
10.	Zuvan Energy Private Limited	49%

In addition to the above material associates, the Group also has 15 associates based in India.

7.3. Restrictions

The Group has assets and liabilities in multiple jurisdictions held by various subsidiaries. There are certain restrictions on inter-se transfer/settlement of liabilities and movement of funds among subsidiaries in India. Further as per governmental regulations, there are certain restrictions on transfer of assets outside India.

8. Intangible assets and Goodwill

Successor:

	Licences	Electricity PPAs	Goodwill	Total
Acquisition through business combination (Refer Note 6)	130,260,197	21,241,383	250,618,817	402,120,397
Exchange differences	(463,462)	(75,575)	(906,808)	(1,445,845)
At 31 March 2016	**129,796,735**	**21,165,808**	**249,712,009**	**400,674,552**
Acquisition through business combination (Refer Note 27)	3,607,834	31,280,311	3,802,731	38,690,876
Additions	4,000,000	-	-	4,000,000
Exchange differences	3,083,951	1,364,391	5,845,032	10,293,374
At 31 March 2017	**140,488,520**	**53,810,510**	**259,359,772**	**453,658,802**
Accumulated amortisation				
Charge for the period	630,301	1,374,526	-	2,004,827
Exchange differences	8,553	18,651	-	27,204
At 31 March 2016	**638,854**	**1,393,177**	**-**	**2,032,031**
Charge for the period	1,885,612	4,664,218	-	6,549,830
Exchange differences	72,120	173,524	-	245,644
At 31 March 2017	**2,596,586**	**6,230,919**	**-**	**8,827,505**
Net book values				
At 31 March 2017	**137,891,934**	**47,579,591**	**259,359,772**	**444,831,297**
At 31 March 2016	129,157,881	19,772,631	249,712,009	398,642,521

Amortisation charges are included under 'Depreciation and amortisation' in the statement of profit or loss and other comprehensive income. The average remaining amortisation period for licences is 27.95 years and for electricity PPA is 18.49 years.

(All amounts in US Dollars unless otherwise stated)

Goodwill acquired through business combination has been allocated to each individual power generation unit as cash generating unit ("CGU"). A CGU level summary of goodwill is presented below:

	31 March 2016	Additions	Exchange difference	31 March 2017
Greenko Rayala Wind Power Company Private Limited	34,441,442	-	791,452	35,232,894
Sneha Kinetic Power Projects Private Limited	31,935,824	-	733,874	32,669,698
Tanot Wind Power Ventures Private Limited	24,491,648	-	562,809	25,054,457
Ratnagiri Wind Power Projects Private Limited	23,676,697	-	544,082	24,220,779
Fortune Five Hydel Projects Private Limited	22,509,970	-	517,271	23,027,241
Vyshali Energy Private Limited	18,992,849	-	436,449	19,429,298
Greenko Budhil Hydro Power Private Limited	17,080,190	-	392,496	17,472,686
Greenko Bagewadi Energies Private Limited	6,656,309	-	152,959	6,809,268
Swasti Power Private Limited	4,810,041	-	110,533	4,920,574
Gangadhari Hydro Power Private Limited (Note 27 (b))	-	3,802,731	106,739	3,909,470
Multiple units without significant goodwill	65,117,039	-	1,496,368	66,613,407
	249,712,009	**3,802,731**	**5,845,032**	**259,359,772**

Predecessor:

	Licences	Electricity PPAs	Goodwill	Total
At 1 January 2015	121,590,866	12,877,155	19,879,185	154,347,206
Acquisition on business combination (Refer note 27)	1,809,846	-	2,041,421	3,851,267
Exchange differences	(5,190,096)	(537,766)	(951,570)	(6,679,432)
At 20 November 2015	**118,210,616**	**12,339,389**	**20,969,036**	**151,519,041**
Accumulated amortisation				
At 1 January 2015	2,977,450	7,927,615	693,763	11,598,828
Charge for the period	1,145,400	1,113,081	-	2,258,481
Exchange differences	(163,949)	(371,019)	(28,972)	(563,940)
At 20 November 2015	**3,958,901**	**8,669,677**	**664,791**	**13,293,369**
Net book value				
At 20 November 2015	**114,251,715**	**3,669,712**	**20,304,245**	**138,225,672**

Amortisation charges are included under 'Depreciation and amortisation' in the statement of profit or loss and other comprehensive income. The average remaining amortisation period for licences is 27.8 years and for electricity PPA is 1.5 years.

The recoverable amount of a CGU is determined based on value-in-use calculations. As the Group has long-term power purchase agreements with customers, these calculations use pre-tax cash flow projections prepared by management based on balance life of the project.

The following are the key assumptions used in calculation of value-in-use for each cash generating unit:

a) **Gross Margin** - The Group has determined gross margin based on industry trends and the existing PPAs with the transmission companies and other customers. The PPA is a long-term contract with agreed price per unit of power sold, and the growth rates used are consistent with those contracts. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

b) **Other operating costs -** These costs are estimated using the historical performance and plant maintenance activity. The estimates of other operating costs used in value-in-use calculations are consistent with those used in the Group's business plan. The growth rate applied to other operating costs fully reflects the expected operating lives of the power projects.

c) **Discount Rates** - The discount rate used is pre-tax and reflects the specific risks associated with the respective projects and are in the range of 13.2% to 14.8%.

(All amounts in US Dollars unless otherwise stated)

9. Property, plant and equipment

Successor:

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
Cost							
Acquisition through business combination (Refer Note 6)	20,897,804	133,752,675	734,596,742	2,168,894	1,022,136	436,463,165	1,328,901,416
Additions	3,041,908	6,380,767	189,482,193	130,318	-	79,650,517	278,685,703
Disposals/capitalisation	-	-	(32,569)	-	(9,248)	(159,826,496)	(159,868,313)
Exchange differences	(34,340)	(397,376)	(87,206)	(6,079)	(4,022)	(2,494,221)	(3,023,244)
At 31 March 2016	**23,905,372**	**139,736,066**	**923,959,160**	**2,293,133**	**1,008,866**	**353,792,965**	**1,444,695,562**
Additions	20,174,951	135,752,956	659,627,023	2,726,694	1,971,748	511,645,329	1,331,898,701
Acquisition through business combination (Refer Note 27)	17,476,562	36,675,935	333,416,105	48,722	287	100,734,404	488,352,015
Disposals/capitalisation	-	(661,322)	(490,460)	-	(11,750)	(780,571,871)	(781,735,403)
Exchange differences	1,655,964	8,365,799	50,588,865	137,327	83,044	2,494,229	63,325,228
At 31 March 2017	**63,212,849**	**319,869,434**	**1,967,100,693**	**5,205,876**	**3,052,195**	**188,095,056**	**2,546,536,103**
Accumulated depreciation							
Charge for the period	-	1,479,975	12,949,152	182,291	98,255	-	14,709,673
Disposals	-	-	(16,174)	-	(5,629)	-	(21,803)
Exchange differences	-	20,081	175,480	2,474	1,257	-	199,292
At 31 March 2016	**-**	**1,500,056**	**13,108,458**	**184,765**	**93,883**	**-**	**14,887,162**
Charge for the period	-	6,642,577	52,075,589	430,375	229,846	-	59,378,387
Disposals	-	-	(3,121)	-	(1,905)	-	(5,026)
Exchange differences	-	232,370	1,974,154	17,625	9,203	-	2,233,352
At 31 March 2017	**-**	**8,375,003**	**67,155,080**	**632,765**	**331,027**	**-**	**76,493,875**
Net book values							
At 31 March 2017	**63,212,849**	**311,494,431**	**1,899,945,613**	**4,573,111**	**2,721,168**	**188,095,056**	**2,470,042,228**
At 31 March 2016	23,905,372	138,236,010	910,850,702	2,108,368	914,983	353,792,965	1,429,808,400

Certain borrowings at project level are secured against the present and future moveable and immovable assets of the project. During the period, the Group has capitalised borrowing costs amounting to US$ 49,151,395 (31 March, 2016: US$15,748,548) on qualifying assets during construction. The weighted average of the borrowing costs applicable to general borrowings is 10.99%. Note 26 (g) provide details of capital commitments outstanding as at 31 March 2017.

(All amounts in US Dollars unless otherwise stated)

Predecessor:

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
Cost							
At 1 January 2015	**15,101,920**	**126,156,362**	**571,838,141**	**3,156,569**	**1,660,862**	**332,064,851**	**1,049,978,705**
Additions	3,018,210	7,719,392	147,347,068	907,333	134,903	276,158,665	435,285,571
Acquisition through business combination (Refer note 27)	204,509	3,098,456	23,524,292	34,307	33,639	-	26,895,203
Disposals/capitalisation	-	-	-	-	-	(139,621,081)	(139,621,081)
Exchange differences	(761,547)	(5,785,328)	(16,400,806)	(222,625)	(25,592)	(16,895,838)	(40,091,736)
At 20 November 2015	**17,563,092**	**131,188,882**	**726,308,695**	**3,875,584**	**1,803,812**	**451,706,597**	**1,332,446,662**
Accumulated depreciation							
At 1 January 2015	**-**	**13,174,861**	**38,590,861**	**1,259,415**	**699,099**	**-**	**53,724,236**
Charge for the period	-	4,766,270	21,808,439	523,886	269,864	-	27,368,459
Exchange differences	-	(720,088)	(2,261,751)	(112,818)	(3,623)	-	(3,098,280)
At 20 November 2015	**-**	**17,221,043**	**58,137,549**	**1,670,483**	**965,340**	**-**	**77,994,415**
Net book values							
At 20 November 2015	**17,563,092**	**113,967,839**	**668,171,146**	**2,205,101**	**838,472**	**451,706,597**	**1,254,452,247**

Certain borrowings at project level are secured against the present and future moveable and immovable assets of the project. During the period, the Group has capitalised borrowing costs amounting to US$37,766,337 on qualifying assets during construction. The weighted average of the borrowing costs applicable to general borrowings is 11.70 per cent. Note 26 (g) provide details of capital commitments.

(All amounts in US Dollars unless otherwise stated)

10. Financial assets and liabilities

The accounting policies for financial instruments have been applied to the line items below:

Successor:

31 March 2017

	Loans and receivables	Financial assets at FVTPL	Available for-sale	Total
Financial assets				
Non-current				
Bank deposits (note 15)	52,771,551	-	-	52,771,551
Trade and other receivables (note 12)	49,981,201	-	-	49,981,201
Other financial assets	-	185,381,569	-	185,381,569
Current				
Available-for-sale financial assets (note 11)	-	-	1,993,880	1,993,880
Bank deposits (note 15)	97,632,227	-	-	97,632,227
Trade and other receivables (note 12)	151,810,255	-	-	151,810,255
Cash and cash equivalents (note 14)	164,151,570	-	-	164,151,570
Total	**516,346,804**	**185,381,569**	**1,993,880**	**703,722,253**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings (note 18)	2,005,297,158
Trade and other payables (note 17)	22,166,076
Other financial liabilities*	157,739,943
Current	
Borrowings (note 18)	104,013,453
Trade and other payables (note 17)	215,793,677
Other financial liabilities*	36,934,000
Total	**2,541,944,307**

* During the year the group entered into certain derivative contracts to mitigate the foreign currency risks. Option premium payable pertaining to these contracts are recognised at fair value at inception and subsequently measured at amortised cost using the effective interest rate method.

31 March 2016

	Loans and receivables	Financial assets at FVTPL	Available for-sale	Total
Financial assets				
Non-current				
Bank deposits (note 15)	33,653,696	-	-	33,653,696
Trade and other receivables (note 12)	3,274,818	-	-	3,274,818
Other financial assets	-	3,950,420	-	3,950,420
Current				
Available-for-sale financial assets (note 11)	-	-	902,305	902,305
Bank deposits (note 15)	3,101,651	-	-	3,101,651
Trade and other receivables (note 12)	82,576,431	-	-	82,576,431
Cash and cash equivalents (note 14)	71,754,254	-	-	71,754,254
Total	**194,360,850**	**3,950,420**	**902,305**	**199,213,575**

(All amounts in US Dollars unless otherwise stated)

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings (note 18)	1,129,801,079
Trade and other payables (note 17)	13,004,265
Current	
Borrowings (note 18)	31,258,662
Trade and other payables (note 17)	132,492,929
Total	**1,306,556,935**

Predecessor:

20 November 2015

	Loans and receivables	Financial assets at FVTPL	Available for sale	Total
Financial assets				
Non-current				
Bank deposits (note 15)	31,544,757	-	-	31,544,757
Trade and other receivables (note 12)	7,247,456	-	-	7,247,456
Other financial assets	-	16,654,813	-	16,654,813
Current				
Available-for-sale financial assets (note 11)	-	-	93,941	93,941
Bank deposits (note 15)	5,126,090	-	-	5,126,090
Trade and other receivables (note 12)	82,535,555	-	-	82,535,555
Cash and cash equivalents (note 14)	75,629,509	-	-	75,629,509
Total	**202,083,367**	**16,654,813**	**93,941**	**218,832,121**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings (note 18)	1,038,541,755
Trade and other payables (note 17)	11,026,338
Current	
Borrowings (note 18)	29,570,641
Trade and other payables (note 17)	81,148,620
Total	**1,160,287,354**

The fair values of the borrowings are disclosed in Note 18.

The carrying amounts reported in the statement of Group financial position for cash and cash equivalents, trade and other receivables, trade and other payables approximate their respective fair values due to their short maturity.

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

(All amounts in US Dollars unless otherwise stated)

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017

Successor:

31 March 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Available- for- sale financial asset	1,993,880	-	-	**1,993,880**
Other financial assets	-	185,381,569	-	**185,381,569**

31 March 2016

	Level 1	Level 2	Level 3	Total
Financial assets				
Available- for- sale financial asset	902,305	-	-	**902,305**
Other financial assets	-	3,950,420	-	**3,950,420**

Predecessor:

20 November 2015

	Level 1	Level 2	Level 3	Total
Financial assets				
Available- for- sale financial asset	93,941	-	-	**93,941**
Other financial assets	-	16,654,813	-	**16,654,813**

Measurement of fair value of financial instruments

The Group's finance team performs valuations of financial items for financial reporting purposes in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

The valuation techniques used for instruments categorised in Level 2 are described below:

Other financial assets (Level 2)

During the year the group entered into forward exchange options and forward contracts to mitigate the foreign currency risks (Refer Note 4.1). The derivative asset associated with these option contracts are recognised at fair value at inception. Subsequent changes to the fair value of the financial asset from the date of inception till 31 March 2017, have been charged to statement of profit or loss.

Other financial assets as at 31 March 2016 consist of Call spread options and knock-out call options taken for repayment/payment of senior notes and interest on Senior Notes and call option on Senior Notes. The estimated fair value of options on hedging arrangements for payment of senior notes and interest of Senior Notes and call option are categorised within Level 2 of the fair value hierarchy.

The fair value estimate has been determined considering inputs that include other than quoted prices of similar assets/industry that are indirect observables like interest rates, yield curves, implied volatilities and credit spreads.

11. Available-for-sale financial assets

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Beginning of the period/year	902,305	-	100,965
Acquired through business combination (Refer Note 27)	900,090	93,941	-
Additions	-	798,751	-
Dividend reinvestment	48,296	315	-
Redemption	-	(1,188)	(3,565)
Effect of exchange difference	47,473	10,486	(3,459)
Unrealised gains	95,716	-	-
At the end of the period	**1,993,880**	**902,305**	**93,941**
Less: Non-current portion	-	-	-
Current portion	**1,993,880**	**902,305**	**93,941**

There are no impairment provisions on available-for-sale financial assets during the period. None of the financial assets is either past due or impaired. Available-for-sale financial assets include the following:

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Unlisted securities:			
— Units of open-ended mutual funds	1,993,880	902,305	93,941
	1,993,880	**902,305**	**93,941**

Available-for-sale financial assets are denominated in Indian rupees. The maximum exposure to credit risk at the reporting date is the fair value of the units of mutual funds classified as available-for-sale.

12. Trade and other receivables

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Trade receivables	103,186,029	67,232,958	67,719,737
Other receivables	10,797,094	13,400,936	18,334,237
Advance for expenses	9,713,813	1,771,455	363,354
Receivables from equity-accounted investees	27,756,954	-	-
Sundry deposits	3,612,744	1,033,718	944,742
Advance for purchase of equity	46,724,822	2,412,182	2,420,941
Total trade and other receivables	**201,791,456**	**85,851,249**	**89,783,011**
Less: Non-current portion	(49,981,201)	(3,274,818)	(7,247,456)
Current portion	**151,810,255**	**82,576,431**	**82,535,555**

Advance for purchase of equity represents interest free amounts paid under memorandum of understanding with various parties for acquisition of their stake in certain entities which are to be acquired in the future. These advances do not provide the Group with additional rights and are adjusted against the purchase consideration when the transaction is consummated else these amounts are refunded by the parties. Receivables from equity-accounted investees primarily represent loans given by the Group to equity-accounted investees. Other receivables include advances against purchase of raw materials, advances for expenses, and other advance recoverable.

Successor:

Trade receivables include unbilled revenue of US$21,050,965 (31 March 2016: US$7,701,358) and not past due US$27,289,709 (31 March 2016: US$16,076,896).

Predecessor:

Trade receivables include unbilled revenue of US$18,903,781 and not past due US$12,039,070.

(All amounts in US Dollars unless otherwise stated)

With the exception of the non-current portion of trade and other receivables all amounts are short-term and their carrying values are considered a reasonable approximation of fair values.

Successor:

Trade receivables that are due for more than one month are considered past due. As at 31 March 2017, trade receivables of US$54,845,355 (31 March 2016: US$43,454,704) were past due but not impaired. These receivables have been considered as fully recoverable based on Directors' assessment. Recoverability is based on the evaluation of terms implicit in the contracts with the customers, legal opinions and other pertinent factors.

Predecessor:

Trade receivables that are due for more than one month are considered past due. As at 20 November 2015, trade receivables of US$36,776,886 were past due but not impaired. These receivables have been considered as fully recoverable based on Directors' assessment. Recoverability is based on the evaluation of terms implicit in the contracts with the customers, legal opinions and other pertinent factors.

The ageing analysis of past due but not impaired trade receivables as at the reporting date is as follows:

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
1 to 6 months	19,502,702	15,109,725	12,752,716
6 to 9 months	8,317,806	2,686,333	1,448,306
9 to 12 months	3,103,120	1,562,838	1,420,062
Beyond 12 months	23,921,727	24,095,808	21,155,802
	54,845,355	**43,454,704**	**36,776,886**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

13. Inventories

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Stores and consumables	2,690,430	2,395,502	2,226,462
Raw materials	2,656,498	2,473,054	2,679,490
Renewable energy certificates	1,154,669	1,344,486	1,381,755
	6,501,597	**6,213,042**	**6,287,707**

14. Cash and cash equivalents

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Cash on hand	347,178	541,338	742,846
Cash at bank	163,804,392	71,212,916	74,886,663
	164,151,570	**71,754,254**	**75,629,509**

Successor:

Cash at bank of the Group includes US$20,452,173 (31 March 2016: US$30,086,437) in currencies other than INR (i.e., in US$, GBP and EURO).

Predecessor:

Cash at bank of the Group includes US$ 12,464,528 in currencies other than INR (i.e., in US$, GBP and EURO).

(All amounts in US Dollars unless otherwise stated)

15. Bank deposits

Successor:

The Group holds balances in deposit accounts with banks. All fixed deposits with original maturity of more than three months amounting to US$97,632,227 (31 March 2016: US$ 3,101,651) are classified as 'bank deposits'. Deposits with maturity date beyond 12 months from the reporting date amounting to US$52,771,551 (31 March 2016: US$ 33,653,696) are disclosed under non-current assets. Bank deposits aggregating to US$ 67,107,963 (31 March 2016: US$ 35,599,089) are restricted.

Bank deposits include US$ 25,129,747 (31 March 2016: US$ 25,126,600) in currencies other than INR (i.e., in US$).

Predecessor:

The Group holds balances in deposit accounts with banks. All fixed deposits with original maturity of more than three months amounting to US$ 5,126,090 are classified as 'bank deposits'. Deposits with maturity date beyond 12 months from the reporting date amounting to US$ 31,544,757are disclosed under non-current assets. The Group can redeem these deposits with a short notice. Bank deposits aggregating to US$ 35,926,987 are restricted.

Bank deposits include US$ 25,126,747 in currencies other than INR (i.e., in US$).

16. Equity

Share capital

Successor:

	31 March 2017	31 March 2016
Issued and fully paid		
Ordinary shares with no par value		
— 595,857,311(31 March 2016: 384,000,000) Class A shares	967,681,800	585,381,586
— 16,000,000 (31 March 2016: 16,000,000) Class B shares	16,000	16,000
— Nil (31 March 2016: 54,663,704) Class C shares	-	80,000,000
Total	**967,697,800**	**665,397,586**

Holders of the above shares are entitled to dividends as declared from time to time. Holders of Class A and Class C shares are entitled to one vote per share at the general meetings of the Company.

- During the year Class C shares got converted into 47,437,504 Class A shares. The Company has issued additional 164,419,807 Class A shares during the year.

- On March 13, 2017, the Company granted a right to subscribe 25,935,596 warrant shares to Greenko Ventures Limited ("GVL") at the fair value of shares as on the said date. These warrants may be exercised by GVL at any time during the warrant period at the warrant price contemplated in warrant deed entered between the shareholders of the Company. On exercise, the warrants are convertible to 25,935,596 Class A shares of the Company.

Predecessor:

	20 November 2015
Issued and paid-up capital	
— 176,879,062 ordinary shares of no par value	243,432,412
— 36,369,551 preferred stock of no par value	40,293,583
— 74,074,074 A Exchangeable shares of no par value	155,074,458
Total	**438,800,453**

(All amounts in US Dollars unless otherwise stated)

a) **Preferred Stock**

Global Environment Emerging Markets Fund III L.P., through its wholly owned subsidiary GEEMF III GK Holdings MU, ("GEEMF") owns 36,369,551 Preference Shares ("PS") in the predecessor representing 14.09% of the voting power of the predecessor as at 31 December 2014. PS will be redeemable in the event of a sale or delisting but not eligible for interest payments or any right to a fixed dividend. GEEMF has certain affirmative rights on management reserved matters and shareholder reserved matters along with its right to appoint two directors to the predecessor's board. GEEMF has right but not obligation to exchange PS, subject to final adjustment based on certain protective returns, for a minimum of 29,124,371 ordinary shares of Greenko Group Plc, anytime between 1 July 2015 and 30 June 2017 and under certain specified circumstances at a period earlier than 1 July 2015. These preference shares were acquired by the successor in acquisition and converted into equal number of ordinary shares with no par value.

b) **'A' Exchangeable Shares**

Government of Singapore Investment Corporation Pte Limited ("GIC") through its affiliate Cambourne Investments Private Limited ("CIPL") owns 74,074,074 "A Exchangeable Shares" ("AES") in the Company representing 17.38% of the voting rights of the predecessor at 31 December 2014. Pursuant to the terms of adjustment deed, CIPL has the right, subject to final adjustment based on certain protective returns as per the terms of agreements, for a minimum of 44,861,538 ordinary shares of Greenko Group Plc, anytime between 1 July 2015 and 30 June 2017 and under certain specified circumstances at a period earlier than 1 July 2015, on a one to one basis. These 'A' Exchangeable shares were acquired by the successor in acquisition and converted into equal number of ordinary shares with no par value.

If CIPL does not exercise this right, the AES shall be automatically exchanged into ordinary shares at the expiry of the Exchange Period. However, the shareholding of CIPL in Greenko Group Plc, including any shares already held, shall not exceed 29.99% and the remaining AES, if any, shall remain at the predecessor.

17. Trade and other payables

	Successor		Predecessor
	31 March 2017	**31 March 2016**	**20 November 2015**
Trade payables	27,553,760	2,951,050	2,159,091
Capital creditors	92,397,532	21,473,896	13,521,089
Interest accrued but not due on borrowings	36,676,653	22,169,701	26,423,805
Cost of acquisition payable	15,457,931	6,455,829	6,495,409
Deferred gain#	5,630,214	-	-
Advances from equity-accounted investees	41,323,318	-	-
Other payables*	18,920,345	92,446,718	43,575,564
	237,959,753	**145,497,194**	**92,174,958**
Less: Non-current portion - Trade and other payables	(22,166,076)	(13,004,265)	(11,026,338)
Current portion - Trade and other payables	**215,793,677**	**132,492,929**	**81,148,620**

Deferred gain represents the unrealised profit on inter-company sale of Property, Plant and Equipment between the group and equity-accounted investees (downstream transactions). The said profit is realised based on the depreciation of purchased assets by the equity accounted investees.

* Other payables of the Successor include an amount of US$ Nil (31 March 2016: US$78,000,000) payable to GE. (Refer Note 6 for details).

Other payables include accruals for expenses, statutory liabilities, premium payable on knock out call options and other liabilities. All amounts are short term and the carrying values of trade and other payables are considered a reasonable approximation of fair value. Cost of acquisition payable is consideration payable towards acquisitions made by subsidiaries.

Advances from equity-accounted investees represents amounts received from the said investees towards asset procurement and plant commissioning services.

(All amounts in US Dollars unless otherwise stated)

18. Borrowings

The carrying amount of Group's borrowings, net of unamortised transaction costs/issue expenses, is as follows:

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Non-current – Financial liabilities measured at amortised cost			
Bank borrowings	224,188,742	247,146,786	229,628,926
Term loans from financial institutions and others	606,820,380	192,159,133	147,973,180
8% Senior Notes {Refer Note 18.5 (b)}	565,525,304	567,982,655	538,587,800
4.875% Senior Notes {Refer Note 18.5 (c)}	485,490,410	-	-
Notes {Refer Note 18.5 (a)}	123,040,375	122,512,505	122,321,604
Vehicle loans	231,947	-	30,245
	2,005,297,158	**1,129,801,079**	**1,038,541,755**
Current – Financial liabilities measured at amortised cost			
Bank borrowings	22,573,076	9,134,502	13,852,325
Term loans from financial institutions	31,425,372	22,100,452	15,682,165
9% Notes {Refer Note 18.5 (d)}	49,898,031	-	-
Vehicle loans	116,974	23,708	36,151
	104,013,453	**31,258,662**	**29,570,641**
Total borrowings	**2,109,310,611**	**1,161,059,741**	**1,068,112,396**

18.1. Borrowings from banks and financial institutions mature over the financial years 2018 to 2033 and bear floating rates of interest in the range of 9.40% to 13.95%. The fair value of borrowings from bank and financial institutions approximates their carrying value as these borrowings carry a floating rate of interest. Senior Notes and Notes are carrying fixed rates of interest.

18.2. Successor:

Borrowings from banks and financial institutions are secured against first charge by way of hypothecation of all immovable properties including plant and machinery and all other movable properties both present and future of respective subsidiary. Some of the loans are also secured by personal guarantees of directors and pledge of shares of subsidiaries. Working capital loans are secured by inventory and trade receivables. Additionally, the borrowings are also secured by lien on bank deposits amounting to US$ 28,121,633 (31 March 2016: US$31,437,511).

Predecessor:

Borrowings from banks and financial institutions are secured against first charge by way of hypothecation of all immovable properties including plant and machinery and all other movable properties both present and future of respective subsidiary. Some of the loans are also secured by personal guarantees of directors and pledge of shares of subsidiaries. Additionally, the borrowings are also secured by lien on bank deposits amounting to US$ 32,618,324.

18.3. The carrying amounts and fair value of the borrowings are as follows:

Successor:

	31 March 2017		31 March 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Bank borrowings	246,761,818	246,761,818	256,281,288	256,281,288
Loans from financial institutions and others	638,245,752	638,245,752	214,259,585	214,259,585
8% Senior Notes	565,525,304	565,525,304	567,982,655	567,982,655
4.875% Senior Notes	485,490,410	485,490,410	-	-
9% Notes	49,898,031	49,898,031	-	-
Notes	123,040,375	123,040,375	122,512,505	122,512,505
Vehicle loans	348,921	348,921	23,708	23,708
Total	**2,109,310,611**	**2,109,310,611**	**1,161,059,741**	**1,161,059,741**

(All amounts in US Dollars unless otherwise stated)

Predecessor:

	20 November 2015	
	Carrying amount	**Fair value**
Bank borrowings	243,481,251	243,481,251
Loans from financial institutions and others	163,655,345	163,655,345
Senior Notes	538,587,800	538,587,800
Notes	122,321,604	122,321,604
Vehicle loans	66,396	66,396
Total	**1,068,112,396**	**1,068,112,396**

18.4. The carrying amounts of the Group's borrowings are denominated in the following currencies:

	Successor		Predecessor
	31 March 2017	**31 March 2016**	**20 November 2015**
Indian Rupee (INR)	885,356,491	470,564,581	407,202,992
US Dollar (US$)	1,223,954,120	690,495,160	660,909,404
	2,109,310,611	**1,161,059,741**	**1,068,112,396**

18.5. Notes and Senior Notes

a) Greenko Mauritius has obtained this loan in December 2014 with a cash coupon of 5% per annum payable on a semi-annual basis and PIK coupon of 6% per annum payable on maturity. As part of the transaction, Greenko Group Plc (Parent of Predecessor prior acquisition) had entered into a separate agreement to create and confer 13,688,300 warrants to EIG which are convertible into equity shares of Greenko Group Plc at a predetermined price in future and got terminated subsequent to acquisition by the successor. These notes were secured by pledge of 131.64 million equity shares of the Predecessor by Greenko Group Plc.

On 20 November 2015, the successor has acquired Greenko Mauritius ("Predecessor") (Refer Note 6 for further details). As part of the acquisition, the successor assumed liability of US$125,000,000 represented by issue of Notes by Greenko Mauritius ("Predecessor") to EIG Greenko Holdings S.À R.L. ("EIG"). These Notes carry a cash coupon of 5% per annum payable on a semi-annual basis and a payment-in-kind ("PIK") coupon of 8% per annum payable on maturity. These notes are repayable in December 2020 and secured by pledge of 146,534,571 equity shares of Greenko Mauritius ("Predecessor") held by the successor. This forms part of debt taken over by successor amounting to US$1,101,781,594 as disclosed in Note 6 above.

b) Greenko Dutch B.V. ("Greenko Dutch"), a subsidiary of Greenko Mauritius, raised funds to the tune of US$550,000,000 by issuing 8% US$ Senior Notes (the Senior Notes) to institutional investors in August 2014. The Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). On 20 November 2015, the successor has acquired Greenko Mauritius ("Predecessor") (Refer Note 6 for further details). The Company assumed this liability as part of the said acquisition for a fair value of US$ 581,883,245. In accordance with the terms of the issue and as permitted under law, Greenko Dutch invested issue proceeds, net of issue expenses and interest reserve, in non-convertible debentures of certain Indian subsidiaries to enable repayment of existing Rupee debt. For this purpose, Greenko Dutch is duly registered as Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 31 July 2019. The Senior Notes are secured by corporate guarantee of the parent and pledge of shares of Greenko Dutch owned by Greenko Mauritius. Further, the assets of Indian subsidiaries have been pledged to secure non-convertible debentures through an Indian trustee. This forms part of debt taken over successor amounting to US$ 1,101,781,594 as disclosed in Note 6 above.

c) Greenko Investment Company ("Greenko Investment"), a subsidiary of Greenko Mauritius, raised funds to the tune of US$500,000,000 by issuing 4.875% US$ Senior Notes (the Senior Notes) to institutional investors in August 2016. The Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Investment invested issue proceeds, net of issue expenses, in non-convertible debentures of certain Indian subsidiaries to enable repayment of existing Rupee debt. For this purpose, Greenko Investment is duly registered as Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 15 August 2023. The Senior Notes are secured by corporate guarantee of the parent and pledge of shares of Greenko Investment owned by Greenko Mauritius. Further, the assets of Indian subsidiaries have been pledged to secure non-convertible debentures by Indian subsidiaries through an Indian trustee.

(All amounts in US Dollars unless otherwise stated)

d) Greenko Solar (Mauritius) Ltd ("Greenko Solar"), a subsidiary of Greenko Mauritius, raised funds to the tune of US$ 50,000,000 by issuing 9% US$ Notes to an institutional investor in October 2016 on a private placement basis and due for payment after one year from the date of issuance. The Notes are secured by corporate guarantee of Greenko Mauritius and pledge of share of Greenko Solar owned by Greenko Mauritius.

18.6. In 2012-13, GE Equity International Mauritius (GE) has made an investment of US$50,000,000 in the Group to indirectly acquire Class A equity shares and compulsorily convertible cumulative preference shares ('CCPS') of Greenko Wind. GE had certain preferential rights as to payment of dividends and on liquidation in Greenko Wind. Greenko Group Plc has an option to call on GE to buy CCPS between February 2016 to February 2017 while GE had an option to put any of the Class A equity shares and CCPS to Greenko Group Plc between February 2017 to February 2018 or earlier on the occurrence of certain events as mentioned in the agreements. In June 2016, the Company had entered into a share purchase agreement wherein the Company agreed to purchase the shares held by GE for a consideration of US$78,000,000 and completed the said purchase during the year.

19. Deferred income tax (assets) / liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities from the same taxation authority. The offset amounts are as follows:

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Deferred income tax liabilities			
— to be recovered beyond 12 months from reporting date	126,086,210	99,776,544	50,988,150
— to be recovered within 12 months	-	-	-
	126,086,210	**99,776,544**	**50,988,150**

The movement in deferred income tax (assets) / liabilities during the period is as follows:

Successor:

	Tangible assets	Intangible assets	Others	Total
Acquisition through business combination (Refer Note 6)	71,688,596	50,093,999	(22,937,295)	98,845,300
Recognised in profit or loss	1,859,420	(662,856)	-	1,196,564
Exchange difference	(158,066)	(190,248)	82,994	(265,320)
At 31 March 2016	**73,389,950**	**49,240,895**	**(22,854,301)**	**99,776,544**
Acquisition through business combination(Refer Note 27)	15,713,280	11,535,067	-	27,248,347
Recognised in profit or loss	6,347,279	(11,676,960)	1,242,257	(4,087,424)
Exchange difference	2,514,411	1,121,581	(487,249)	3,148,743
At 31 March 2017	**97,964,920**	**50,220,583**	**(22,099,293)**	**126,086,210**

Predecessor:

	Tangible assets	Intangible assets	Others	Total
At 1 January 2015	26,356,170	34,057,288	(10,766,565)	49,646,893
Acquisition through business combination (Refer note 27)	1,940,228	375,724	-	2,315,952
Recognised in profit or loss	7,950,661	(686,773)	(5,981,534)	1,282,354
Exchange difference	(1,293,791)	(1,416,255)	452,997	(2,257,049)
At 20 November 2015	**34,953,268**	**32,329,984**	**(16,295,102)**	**50,988,150**

(All amounts in US Dollars unless otherwise stated)

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

Dividends are not taxable in India in the hands of the recipient. However, the Indian subsidiaries will be subject to a 'dividend distribution tax' currently at the rate of 15% (plus applicable gross up, surcharge and education cess) on the total amount distributed as dividend. As at 31 March 2017, 31 March 2016 and 20 November 2015, there was no recognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries, the Group has determined that undistributed profits of its subsidiaries will not be distributed in the foreseeable future as the Group earnings will continue to be fully re-invested to finance the on-going growth of the Group.

20. Revenue

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Sale of power	181,720,274	25,283,256	125,668,985
Sale of renewable energy certificates	1,716,557	773,449	814,371
Generation based incentive	6,879,031	1,134,796	4,302,580
	190,315,862	**27,191,501**	**130,785,936**

21. Retirement benefit obligations

Successor:

The Group has an obligation towards defined benefit plans towards gratuity and compensated absences of US$ 1,216,208 (31 March 2016: US$ 650,929) and US$ 698,738 (31 March 2016: US$ 426,510) respectively.

The Group makes annual contributions under a group gratuity plan to Life Insurance Corporation of India ("LIC") of an amount advised by LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on the insurer managed funds during the estimated term of the obligation. The Group expects to contribute US$ 364,929 towards the gratuity plan for the year ending 31 March 2018.

Predecessor:

The Group has an obligation towards defined benefit plans towards gratuity and compensated absences of US$ 488,877 and US$ 306,122 respectively as of 20 November 2015.

The Group makes annual contributions under a group gratuity plan to Life Insurance Corporation of India ("LIC") of an amount advised by LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on the insurer managed funds during the estimated term of the obligation.

22. Employee benefit expense

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Salaries and wages	10,043,633	3,355,096	7,265,422
Employee welfare expenses	439,678	161,802	358,819
Retirement benefits—defined contribution plans	363,888	171,486	254,126
Retirement benefits—defined benefit plans			
-Gratuity	89,665	259,525	30,495
-Compensated absences	68,127	14,632	7,723
	11,004,991	**3,962,541**	**7,916,585**

(All amounts in US Dollars unless otherwise stated)

23. Finance income and costs

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Finance income			
Foreign exchange gain	122,272	-	17,077
Interest on bank deposits	5,212,050	577,837	1,517,735
Dividend from units of mutual funds	48,296	315	-
	5,382,618	**578,152**	**1,534,812**
Finance costs			
Finance cost on borrowings	110,580,131	31,317,957	57,351,736
Derivative instruments charges	31,366,974	-	-
Bank charges	546,410	300,223	71,232
	142,493,515	**31,618,180**	**57,422,968**

24. Loan restructuring costs

During the year, the Group raised 4.875% US$ denominated Senior Notes and invested the proceedings in INR Non-convertible debentures of certain Indian subsidiaries to enable repayment of existing rupee loans. Loan restructuring costs amounting to US$7,751,190 represents the cost of prepayment and unamortised transaction costs of existing Rupees Loans.

25. Income tax expense

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Current tax	5,254,809	11,915	6,913,202
Deferred tax (note 19)	(4,087,424)	1,196,564	1,282,354
	1,167,385	**1,208,479**	**8,195,556**

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Group as follows:

	Successor		Predecessor
	31 March 2017	31 March 2016	20 November 2015
Profit/(Loss) before income tax	31,694,822	(34,574,668)	11,546,204
Domestic tax rate for Greenko Energy Holdings	15%	15%	15%
Expected tax expense	4,754,223	(5,186,200)	1,731,931
Adjustment for tax differences in foreign jurisdictions	(3,586,838)	6,394,679	6,463,625
Tax charge	**1,167,385**	**1,208,479**	**8,195,556**

The tax rates used in computing the weighted average tax rate is the substantively enacted tax rate. In respect of the Indian entities this was in the range of 25.75% to 33.06%, (31 March 2016: 33.06%, 20 November 2015: 32.45%).

The Indian subsidiaries of the Group engaged in power generation currently benefit from a tax holiday from the standard Indian corporate taxation for the period ended 31 March 2017. The tax holiday period under the Indian Income Tax Act is for 10 consecutive tax assessment years out of a total of 15 consecutive tax assessment years from the tax assessment year in which commercial operations commenced. However, these companies are still liable for Minimum Alternate Tax which is calculated on the book profits of the relevant entity and is currently at a rate of 20.39% (31 March, 2016: 21.34%, 20 November 2015: 20.01%).

26. Commitments and contingencies

The commitments and contingencies of the successor for the period ended 31 March 2017 and 31 March, 2016 and predecessor for the period ended 20 November 2015.

a) Greenko Energies Private Limited ("GEPL") and Roshni Powertech Private Limited ("Roshni") operate biomass power plants located in the State of Andhra Pradesh, India. These entities through the Biomass Energy Developers Association have challenged the order of Andhra Pradesh Electricity Regulatory Commission ("APERC") effecting a downward revision in billing rates. The Supreme Court of India has upheld the original billing mechanism as binding on the customer and has remanded the case back to APERC to determine the final tariff per unit. APERC has issued the final tariff along with interest vide orders dated 22 June 2013 and 6 August 2013. At the request of state utilities, the Court directed state utilities to make immediate payment of 50% of the tariff difference amount which was received by the Group. Further orders are awaited for balance amounts receivable from state utilities.

b) A few of the Group's power generating units in India have income tax disputes with the tax authorities. The Group has appealed against the orders of the income tax officer/authority at appropriate levels. The Group has been successful in obtaining favourable orders in few cases. The tax authorities have appealed against these orders. Based on assessment of these claims, the management is confident of ultimate favourable outcome. The amount involved in these claims are US$ 3,886,615 (31 March 2016: US$1,057,665, 20 November 2015: US$422,132).

c) In December 2010, Sai Spurthi Power Private Limited (SSPPL), received a letter from a bank informing SSPPL that three corporate guarantees aggregating to US$7,284,278 (31 March 2016: US$7,120,648, 20 November 2015: US$7,146,506) were given by SSPPL in respect of loans availed by Sagar Power (Neerukatte) Limited, a company promoted and owned by erstwhile management of SSPPL. On verification of records and discussions with the erstwhile management, the management believes that only one corporate guarantee of US$683,084 (31 March, 2016: US$667,740, 20 November 2015: US$670,165) was provided to the bank. The management is confident that the contingent liability of SSPPL under the corporate guarantees issued will not exceed US$683,084 (31 March, 2016: US$667,740, 20 November 2015: US$670,165). Further, as per the terms of the share purchase agreement with the promoters/erstwhile seller-shareholders of SSPPL, the promoters/erstwhile seller-shareholders of SSPPL are required to have the corporate guarantee(s) released without any liability to SSPPL or the Group.

During 2012-13, SSPL received a communication from Indian Renewable Energy Development Agency ("IREDA") informing that SSPL had given a corporate guarantee of US$1,167,664 (31 March, 2016: 1,141,434, 20 November 2015: US$1,145,579) for the credit facilities availed by Bhadragiri Power Private Limited, a company promoted and owned by erstwhile management of SSPPL. On verification of records and discussions with the erstwhile Managing Director, SSPL came to an opinion that the said corporate guarantee was not executed on behalf of SSPL and hence SSPL is not responsible for any liability under those documents. This is a matter of dispute which needs to be finally settled. The promoters/erstwhile seller-shareholders are responsible and obligated to the Group to settle this liability, if any.

d) Greenko Budhil, one of the subsidiaries of Predecessor, had received demand notices aggregating to US$11,955,974 (31 March 2016: US$6,712,277, 20 November 2015: US$6,736,652) from various government authorities in relation to duty drawback, construction cess, entry tax and common costs for transmission lines. Greenko Budhil has contested these demands at various levels. Pending disposal of these matters, in view of the management no provision is required to be made in the books of account. Further, the promoters/erstwhile seller-shareholders are responsible and obligated to the Group to settle these disputes.

e) Greenko Budhil, one of the subsidiaries of Predecessor, terminated Power Purchase Agreement (PPA) entered with PTC India Limited (PTC). Haryana Power Generation Corporation Limited (HPGCL), the ultimate beneficiary (as PTC entered into a power supply agreement with HPGCL), disputed the termination. HPGCL approached the Haryana Electricity Regulatory Commission (HERC) seeking inter alia that (i) the termination of the PPA to be declared illegal and invalid and (ii) that both the Greenko Budhil and PTC be directed to comply with their obligations qua HPGCL ("HPGCL Petition"). Appellate Tribunal for Electricity (APTEL) has held that HERC does not have jurisdiction over the dispute. HPGCL and PTC both have challenged the decision of APTEL separately with Hon'ble Supreme Court of India. Petitions have been admitted by Hon'ble Supreme Court. The matter is pending with Hon'ble Supreme Court for hearing. Based on the legal opinion of an independent counsel, the Group is confident of a favourable outcome in this matter. Further, the promoters/erstwhile seller-shareholders are responsible and obligated to the Group to settle this liability, if any.

(All amounts in US Dollars unless otherwise stated)

f) Him Kailash Hydro Power Private Limited (HKHPPL), one of the subsidiaries of Predecessor, had given a corporate guarantee in respect of a term loan of US$2,236,273 (31 March 2016: US$2,186,039, 20 November 2015: US$2,193,977) sanctioned to Madhava Vasistha Hydro Power Private Limited, a company owned by erstwhile owners of HKHPPL. Pursuant to the terms of share purchase agreement with erstwhile owners of HKHPPL, erstwhile owners of HKHPPL are required to get the corporate guarantee released without any liability to HKHPPL or to the Group.

g) **Capital commitments**

Capital expenditure contracted for as at 31 March 2017 but not yet incurred aggregated to US$157,256,580 (31 March 2016: US$ 371,523,021; 20 November 2015: US$131,974,955).

27. Business combinations

Successor:

a) During September 2016, the Company through its wholly owned subsidiaries Greenko Power Projects (Mauritius) Limited ("GPPM") and Greenko Solar Energy Private Limited ("GSEPL") entered into a definitive agreement with Sun Edison Group to acquire the equity shares and cumulative convertible debentures of certain target Indian subsidiaries of Sun Edison Group.

The transaction primarily involved acquisition of select portfolio of Solar and Wind power projects in India. The select portfolio consists of operational, near completion and under development projects situated in Andhra Pradesh, Telangana, Karnataka, Tamilnadu, New Delhi and Madhya Pradesh. The acquisition was completed on 27 October 2016. However, the valuation of the acquired assets and liabilities has been carried out on 01 October 2016 considering that the effect of transactions from 01 October 2016 to 27 October 2016 are not material to the consolidated financial statements.

Excess of group's interest in the fair value of acquiree's assets and liabilities over cost is due to Seller's compulsion to exit within the defined timeline from their Indian business and through bidding process, the company could get fairly decent bargain purchase.

Details of net assets acquired are as follows:

	Amount (US$)
Purchase consideration:	
- Cash paid	46,838,810
- Amount payable	9,642,135
Total Purchase consideration	**56,480,945**
Fair value of net assets acquired	154,989,584

Fair value of the acquiree's assets and liabilities arising from the acquisition are as follows:

Property, plant and equipment	470,903,851
Net working capital	(518,319)
Investment in Mutual Funds	900,090
Long term loans and advances	61,063,376
Short term borrowings	(17,379,058)
Intangible assets	33,426,086
Bank deposits	5,938,028
Cash and cash equivalents	3,678,249
Creditors for capital goods	(109,735,571)
Deferred tax liability	(25,559,443)
Long term borrowings	(267,727,705)
Net assets	**154,989,584**
Purchase consideration settled in cash	46,838,810
Cash and cash equivalents	(3,678,249)
Cash outflow on acquisition	**43,160,561**

(All amounts in US Dollars unless otherwise stated)

b) During the year ended March 31 2017, the Group acquired 100% of the securities of Gangadhari Hydro Power Private Limited ("Gangadhari"). The acquisition was made to enhance the generating capacity of the Group from clean energy assets. Gangadhari has an operating hydro power plant with installed capacity of 16MW in the state of Himachal Pradesh in north India. The effective date of acquisition is 01 October 2016. Details of acquisition are set out below:

Purchase consideration:	**Amount (US$)**
- Cash paid	8,770,897
- Amount payable	78,548
Total Purchase consideration	**8,849,445**
Fair value of net assets acquired	5,046,714

Fair value of the acquiree's assets and liabilities arising from the acquisition are as follows:

	Amount (US$)
Property, plant and equipment	17,448,164
Net Working Capital	(1,429,735)
Intangible assets	1,462,059
Cash and cash equivalents	654,771
Deferred tax liability	(1,688,905)
Long term borrowings	(11,399,640)
Net assets	**5,046,714**
Purchase consideration settled in cash	8,770,897
Cash and cash equivalents	(654,771)
Cash outflow on acquisition	**8,116,126**

Predecessor:

c) The Group acquired the following Company to enhance the generating capacity of the Group from clean energy assets. Details of acquisition is set out below:

	Effective Date of acquisition	**Percentage acquired**
Swasti Power Private Limited (SPPL)	01 April 2015	100.00%

SPPL is engaged in operation of 22.5MW of hydel project in the state of Uttarakhand, India.

Details of net assets acquired are as follows:

	SPPL
Purchase consideration:	
- Cash paid	13,413,018
- Amount payable	3,920,959
Total Purchase consideration	**17,333,977**
Fair value of net asset acquired	15,292,556
Goodwill	**2,041,421**

Fair value of the acquiree's assets and liabilities arising from the acquisition are as follows:

	SPPL
Property, plant and equipment	26,895,203
Net Working capital	36,904
Intangible assets	1,809,846
Other non-current assets	13,372
Cash and cash equivalents	809,856
Trade and other payables	(73,155)
Deferred income tax liabilities	(2,315,952)
	27,176,074
Long term borrowings	(11,883,518)
Net assets	**15,292,556**
Purchase consideration settled in cash	13,413,018
Cash and cash equivalents	(809,856)
Cash outflow on acquisition	**12,603,162**

(All amounts in US Dollars unless otherwise stated)

28. Related-party transactions

Successor:

a) Cambourne Investment Pte Limited, an affiliate of Government of Singapore Investment Company ("GIC") is considered as the Holding Company of the Group. Further, Greenko Ventures Limited, GVL Investments Limited and GVL Management Services Limited, in which Anil Kumar Chalamalasetty and Mahesh Kolli (Non-Executive Directors) have a beneficial interest, holds 20.45% in the Company.

b) Mr Anil Kumar Chalamalasetty and Mr Mahesh Kolli have given personal guarantees in respect of certain loans availed by Indian subsidiaries of the Group.

The following transactions were carried out with related parties:

c) **Key management compensation**

	Successor		Predecessor
	31 March 2017	**31 March 2016**	**20 November 2015**
Short-term employee benefits			
Mr. Om Prakash Bhatt	264,702	-	-
Mr. Kunnasagaran Chinniah	95,588	-	-
Total short-term employee benefits	**360,290**	-	-

d) **Equity-accounted investees:**

	Successor		Predecessor
	31 March 2017	**31 March 2016**	**20 November 2015**
Amount payable	41,323,318	-	-
Amount receivable	27,756,954	-	-
Deferred gain* (Refer Note 17)	5,630,214	-	-

* represents the net impact of transactions which took place with equity-accounted investees during the year.

29. Equity-accounted investees

The Group also has interests in a number of individually immaterial associates. The Group owns 26% to 49% of the voting rights and accordingly the Group determined that it has significant influence.

The following table analyses, in aggregate, the carrying amount and share of profit and OCI of these associates:

	Successor		Predecessor
	31 March 2017	**31 March 2016**	**20 November 2015**
Carrying amount of interests in associates	52,446,853	-	-
Share of:			
Loss from continuing operations	(2,215,167)	-	-
Other comprehensive income	-	-	-
	50,231,686	**-**	**-**