

**KSK Power Ventur plc**

Interim Condensed Consolidated and Company Financial Statements

**For the six months ended 30 September 2015**

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## INTERIM CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION

as at 30 September 2015

(All amounts in thousands of US \$, unless otherwise stated)

	Notes	Consolidated		Company	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>ASSETS</b>					
<b>Non-current</b>					
Property, plant and equipment, net	5	3,313,468	3,456,914	-	-
Intangible assets and goodwill	6	11,459	12,188	-	-
Investments and other financial assets	7	110,589	130,491	401,008	403,902
Other non-current assets	8	94,905	102,646	-	-
Trade and other receivables	9	2,553	2,845	-	-
Deferred tax asset	23	169,620	128,104	-	-
		<b>3,702,594</b>	<b>3,833,188</b>	<b>401,008</b>	<b>403,902</b>
<b>Current</b>					
Investments and other financial assets	7	50,117	31,313	23	27
Other current assets	8	43,858	40,459	607	320
Trade and other receivables	9	197,261	154,212	-	-
Inventories	10	33,955	32,453	-	-
Cash and short-term deposits	11	201,070	197,996	2,099	1,065
		<b>526,261</b>	<b>456,433</b>	<b>2,729</b>	<b>1,412</b>
<b>Total assets</b>		<b>4,228,855</b>	<b>4,289,621</b>	<b>403,737</b>	<b>405,314</b>
<b>EQUITY AND LIABILITIES</b>					
Issued capital	12	289	289	289	289
Share premium	12	287,191	287,191	287,191	287,191
Share application money	12	13,739	16,498	13,739	16,498
Foreign currency translation reserve	12	(148,767)	(129,431)	6,191	4,524
Revaluation reserve	12	1,401	1,418	-	-
Capital redemption reserve	12	10,855	10,855	-	-
Other reserves	12	145,352	147,317	146	122
(Accumulated deficit) / retained earnings	12	(51,202)	15,590	(21,088)	(18,927)
<b>Equity attributable to owners of the Company</b>		<b>258,858</b>	<b>349,727</b>	<b>286,468</b>	<b>289,697</b>
Non-controlling interests		166,382	203,374	-	-
<b>Total equity</b>		<b>425,240</b>	<b>553,101</b>	<b>286,468</b>	<b>289,697</b>
<b>Non-current liabilities</b>					
Loans and borrowings	13	2,637,229	2,722,596	-	-
Other non-current financial liabilities	14	25,214	26,862	-	-
Trade and other payables	15	43,422	47,581	-	-
Provisions	16	3,119	3,210	-	-
Deferred revenue	17	2,614	2,824	-	-
Employee benefit liability		855	711	-	-
Deferred tax liabilities	23	32,111	33,777	-	-
		<b>2,744,564</b>	<b>2,837,561</b>	<b>-</b>	<b>-</b>

**INTERIM CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION  
as at 30 September 2015 (continued...)**

(All amounts in thousands of US \$, unless otherwise stated)

	Notes	Consolidated		Company	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>Current liabilities</b>					
Loans and borrowings	13	620,900	521,953	115,802	114,245
Other current financial liabilities	14	5,529	5,959	-	-
Trade and other payables	15	429,768	369,590	1,467	1,372
Deferred revenue	17	233	310	-	-
Taxes payable		2,621	1,147	-	-
		1,059,051	898,959	117,269	115,617
Total liabilities		3,803,615	3,736,520	117,269	115,617
<b>Total equity and liabilities</b>		<b>4,228,855</b>	<b>4,289,621</b>	<b>403,737</b>	<b>405,314</b>

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

Approved by the Board of Directors on 26 November 2015 and signed on behalf by:

S. Kishore  
Executive Director

K. A. Sastry  
Executive Director

**INTERIM CONSOLIDATED AND COMPANY INCOME STATEMENT**  
**for the six months ended 30 September 2015**

(All amounts in thousands of US \$, unless otherwise stated)

	Notes	Consolidated		Company	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
Revenue	18	245,465	175,855	-	-
Cost of revenue	19	(192,828)	(138,191)	-	-
<b>Gross profit</b>		<b>52,637</b>	<b>37,664</b>	-	-
Other operating income	20	348	8,623	-	-
Distribution costs		(4,605)	(4,682)	-	-
General and administrative expenses		(19,703)	(12,981)	(464)	(474)
<b>Operating profit / (loss)</b>		<b>28,677</b>	<b>28,624</b>	<b>(464)</b>	<b>(474)</b>
Finance costs	21	(184,721)	(106,695)	(1,697)	(1,654)
Finance income	22	9,551	9,037	-	-
<b>Loss before tax</b>		<b>(146,493)</b>	<b>(69,034)</b>	<b>(2,161)</b>	<b>(2,128)</b>
Tax income / (expense)	23	48,832	12,386	-	-
<b>Loss for the period</b>		<b>(97,661)</b>	<b>(56,648)</b>	<b>(2,161)</b>	<b>(2,128)</b>
<b>Attributable to:</b>					
Owners of the Company		(69,758)	(44,600)	(2,161)	(2,128)
Non-controlling interests		(27,903)	(12,048)	-	-
		<b>(97,661)</b>	<b>(56,648)</b>	<b>(2,161)</b>	<b>(2,128)</b>
<b>(Loss) / earnings per share</b>					
Weighted average number of ordinary shares for basic and diluted earnings per share		175,308,600	175,308,600		
Basic and diluted (loss) / earnings per share (US \$)		(0.40)	(0.25)		

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

Approved by the Board of Directors on 26 November 2015 and signed on behalf by:

S. Kishore  
Executive Director

K. A. Sastry  
Executive Director

**INTERIM CONSOLIDATED AND COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME  
for the six months ended 30 September 2015**

(All amounts in thousands of US \$, unless otherwise stated)

	Consolidated		Company	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
<b>Loss for the period</b>	<b>(97,661)</b>	<b>(56,648)</b>	<b>(2,161)</b>	<b>(2,128)</b>
<b>Items that will never be reclassified to income statement</b>				
Re-measurement of defined benefit liability	(55)	111	-	-
Income tax relating to re-measurement of defined benefit liability	4	(40)	-	-
	<b>(51)</b>	<b>71</b>	<b>-</b>	<b>-</b>
<b>Items that are or may be reclassified subsequently to income statement</b>				
Foreign currency translation differences	(29,546)	(16,926)	1,667	(1,811)
Available-for-sale financial assets				
- current period losses	2	652	-	-
- reclassification to income statement	26	33	-	-
Income tax relating to available-for-sale financial asset	(465)	59	-	-
	<b>(29,983)</b>	<b>(16,182)</b>	<b>1,667</b>	<b>(1,811)</b>
<b>Other comprehensive (expense) / income, net of tax</b>	<b>(30,034)</b>	<b>(16,111)</b>	<b>1,667</b>	<b>(1,811)</b>
<b>Total comprehensive (expense) / income for the period</b>	<b>(127,695)</b>	<b>(72,759)</b>	<b>(494)</b>	<b>(3,939)</b>
<b>Attributable to:</b>				
Owners of the Company	(89,442)	(55,042)	(494)	(3,939)
Non-controlling interests	(38,253)	(17,717)	-	-
	<b>(127,695)</b>	<b>(72,759)</b>	<b>(494)</b>	<b>(3,939)</b>

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

Approved by the Board of Directors on 26 November 2015 and signed on behalf by:

S. Kishore  
Executive Director

K. A. Sastry  
Executive Director

## KSK Power Ventur plc

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2014

(All amount in thousands of US \$, unless otherwise stated)

	Attributable to owners of Company									Non - controlling interests	Total equity
	Issued capital	Share premium	Share application money	Foreign currency translation reserve	Revaluation reserve	Capital redemption reserve	Other reserves	Retained earnings	Total		
<b>As at 1 April 2014</b>	<b>289</b>	<b>287,191</b>	<b>18,000</b>	<b>(113,933)</b>	<b>2,614</b>	<b>5,461</b>	<b>143,615</b>	<b>69,254</b>	<b>412,491</b>	<b>169,782</b>	<b>582,273</b>
Refund of share application money	-	-	(1,502)	-	-	-	-	-	(1,502)	-	(1,502)
Change in non-controlling interests without change in control	-	-	-	-	-	-	6,862	-	6,862	58,114	64,976
Transfer of economic interest to non- controlling interests <sup>1</sup>	-	-	-	-	-	-	-	2,387	2,387	(2,387)	-
Equity-settled share based payment	-	-	-	-	-	-	58	-	58	-	58
Transfer of profit to capital redemption reserve	-	-	-	-	-	5,481	-	(5,481)	-	-	-
Net depreciation transfer for property, plant and equipment	-	-	-	-	(47)	-	-	47	-	-	-
<b>Transaction with owners</b>	<b>-</b>	<b>-</b>	<b>(1,502)</b>	<b>-</b>	<b>(47)</b>	<b>5,481</b>	<b>6,920</b>	<b>(3,047)</b>	<b>7,805</b>	<b>55,727</b>	<b>63,532</b>
Loss for the period	-	-	-	-	-	-	-	(44,600)	(44,600)	(12,048)	(56,648)
<b>Other comprehensive income</b>											
<b>Items that will never be reclassified to income statement</b>											
Re-measurement of defined benefit liability	-	-	-	-	-	-	89	-	89	22	111
Income tax relating to re-measurement of defined benefit liability	-	-	-	-	-	-	(40)	-	(40)	-	(40)
<b>Items that are or may be reclassified subsequently to income statement</b>											
Foreign currency translation differences	-	-	-	(11,191)	-	-	-	-	(11,191)	(5,735)	(16,926)
Available-for-sale financial assets											
- current period (loss) / gain	-	-	-	-	-	-	627	-	627	25	652
- reclassification to profit or loss	-	-	-	-	-	-	33	-	33	-	33
Income tax relating to available-for-sale financial asset	-	-	-	-	-	-	40	-	40	19	59
<b>Total comprehensive (expense) / income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,191)</b>	<b>-</b>	<b>-</b>	<b>749</b>	<b>(44,600)</b>	<b>(55,042)</b>	<b>(17,717)</b>	<b>(72,759)</b>
<b>Balance as at 30 September 2014</b>	<b>289</b>	<b>287,191</b>	<b>16,498</b>	<b>(125,124)</b>	<b>2,567</b>	<b>10,942</b>	<b>151,284</b>	<b>21,607</b>	<b>365,254</b>	<b>207,792</b>	<b>573,046</b>

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

<sup>1</sup> The group entities have arrangements of sharing of profits with its non-controlling share holders, through which the non controlling shareholders are entitled to a dividend of 0.01% of the face value of the equity share capital held and the same is also reflected in interim condensed Consolidated income statement. However, the non controlling interest disclosed in the interim condensed Statement of changes in equity is calculated in the proportion of the actual shareholding as at the reporting date.

**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****for the six months ended 30 September 2015**

(All amount in thousands of US \$, unless otherwise stated)

	Attributable to owners of Company								Non - controlling interests	Total equity	
	Issued capital	Share premium	Share application money	Foreign currency translation reserve	Revalu ation reserve	Capital redemption reserve	Other reserves	Retained earnings			Total
<b>As at 1 April 2015</b>	<b>289</b>	<b>287,191</b>	<b>16,498</b>	<b>(129,431)</b>	<b>1,418</b>	<b>10,855</b>	<b>147,317</b>	<b>15,590</b>	<b>349,727</b>	<b>203,374</b>	<b>553,101</b>
Refund of share application money	-	-	(2,759)	-	-	-	-	-	(2,759)	-	(2,759)
Change in non-controlling interests without change in control (refer note 4)	-	-	-	-	-	-	(1,661)	-	(1,661)	4,230	2,569
Transfer of economic interest to non-controlling interests <sup>1</sup>	-	-	-	-	-	-	-	2,949	2,949	(2,949)	-
Equity-settled share based payment	-	-	-	-	-	-	24	-	24	-	24
Net depreciation transfer for property, plant and equipment	-	-	-	-	(17)	-	-	17	-	-	-
<b>Transaction with owners</b>	<b>-</b>	<b>-</b>	<b>(2,759)</b>	<b>-</b>	<b>(17)</b>	<b>-</b>	<b>(1,637)</b>	<b>2,966</b>	<b>(1,447)</b>	<b>1,281</b>	<b>(166)</b>
Loss for the period	-	-	-	-	-	-	-	(69,758)	(69,758)	(27,903)	(97,661)
<b>Other comprehensive income</b>											
<b>Items that will never be reclassified to income statement</b>											
Re-measurement of defined benefit liability	-	-	-	-	-	-	(35)	-	(35)	(20)	(55)
Income tax relating to re-measurement of defined benefit liability	-	-	-	-	-	-	4	-	4	-	4
<b>Items that are or may be reclassified subsequently to income statement</b>											
Foreign currency translation differences	-	-	-	(19,336)	-	-	-	-	(19,336)	(10,210)	(29,546)
Available-for-sale financial assets											
- current period (loss) / gain	-	-	-	-	-	-	(9)	-	(9)	11	2
- reclassification to profit or loss	-	-	-	-	-	-	26	-	26	-	26
Income tax relating to available-for-sale financial asset	-	-	-	-	-	-	(314)	-	(314)	(151)	(465)
<b>Total comprehensive expenses for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,336)</b>	<b>-</b>	<b>-</b>	<b>(328)</b>	<b>(69,758)</b>	<b>(89,422)</b>	<b>(38,273)</b>	<b>(127,695)</b>
<b>Balance as at 30 September 2015</b>	<b>289</b>	<b>287,191</b>	<b>13,739</b>	<b>(148,767)</b>	<b>1,401</b>	<b>10,855</b>	<b>145,352</b>	<b>(51,202)</b>	<b>258,858</b>	<b>166,382</b>	<b>425,240</b>

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

<sup>1</sup> The group entities have arrangements of sharing of profits with its non-controlling shareholders, through which the non-controlling shareholders are entitled to a dividend of 0.01% of the face value of the equity share capital held and the same is also reflected in the interim condensed Consolidated income statement. However, the non controlling interest disclosed in the interim condensed Statement of changes in equity is calculated in the proportion of the actual shareholding as at the reporting date.



## KSK Power Ventur plc

## INTERIM COMPANY STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

	Issued capital	Share premium	Share application money	Foreign currency translation reserve	Other reserve	Accumulated deficit	Total equity
<b>As at 1 April 2014</b>	<b>289</b>	<b>287,191</b>	<b>18,000</b>	<b>12,580</b>	<b>10</b>	<b>(14,249)</b>	<b>303,821</b>
Refund of share application money	-	-	(1,502)	-	-	-	(1,502)
Equity-settled share based payment	-	-	-	-	58	-	58
<b>Transaction with owners</b>	<b>-</b>	<b>-</b>	<b>(1,502)</b>	<b>-</b>	<b>58</b>	<b>-</b>	<b>(1,444)</b>
Loss for the period	-	-	-	-	-	(2,128)	(2,128)
<b>Other comprehensive income</b>							
Foreign currency translation differences	-	-	-	(1,811)	-	-	(1,811)
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,811)</b>	<b>-</b>	<b>(2,128)</b>	<b>(3,939)</b>
<b>Balance as at 30 September 2014</b>	<b>289</b>	<b>287,191</b>	<b>16,498</b>	<b>10,769</b>	<b>68</b>	<b>(16,377)</b>	<b>298,438</b>
<b>As at 1 April 2015</b>	<b>289</b>	<b>287,191</b>	<b>16,498</b>	<b>4,524</b>	<b>122</b>	<b>(18,927)</b>	<b>289,697</b>
Refund of share application money	-	-	(2,759)	-	-	-	(2,759)
Equity-settled share based payment	-	-	-	-	24	-	24
<b>Transaction with owners</b>	<b>-</b>	<b>-</b>	<b>(2,759)</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>(2,735)</b>
Loss for the period	-	-	-	-	-	(2,161)	(2,161)
<b>Other comprehensive income</b>							
Foreign currency translation differences	-	-	-	1,667	-	-	1,667
<b>Total comprehensive income / (expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,667</b>	<b>-</b>	<b>(2,161)</b>	<b>(494)</b>
<b>Balance as at 30 September 2015</b>	<b>289</b>	<b>287,191</b>	<b>13,739</b>	<b>6,191</b>	<b>146</b>	<b>(21,088)</b>	<b>286,468</b>

(See accompanying notes to interim condensed Consolidated and Company financial statements on page 11 to 27)

**INTERIM CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS****for the six months ended 30 September 2015**

(All amount in thousands of US \$, unless otherwise stated)

	Consolidated		Company	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
<b>Cash inflow / (outflow) from operating activities</b>				
Loss before tax	(146,493)	(69,034)	(2,161)	(2,128)
<b>Adjustment</b>				
Depreciation and amortization	51,359	29,723	-	-
Finance cost	185,863	102,281	4,978	1,575
Finance income	(9,551)	(9,037)	-	-
Provision and impairment of trade receivable, PPE and other receivable	3,480	-	-	-
(Profit) / loss on sale of fixed assets, net	(17)	212	-	-
Others	(90)	112	24	58
<b>Change in</b>				
Trade receivables and unbilled revenue	(45,101)	(12,849)	-	-
Inventories	(1,502)	(2,429)	-	-
Other assets	240	(2,090)	4,091	(214)
Trade payables and other liabilities	22,393	4,182	28	(65)
Provisions and employee benefit liability	144	(35)	-	-
<b>Cash generated from / (used in) operating activities</b>	<b>60,725</b>	<b>41,036</b>	<b>6,960</b>	<b>(774)</b>
Taxes refund / (paid), net	2,196	(2,330)	-	-
<b>Net cash provided by / (used in) operating activities</b>	<b>62,921</b>	<b>38,706</b>	<b>6,960</b>	<b>(774)</b>
<b>Cash inflow / (outflow) from investing activities</b>				
Movement in restricted cash, net	(1,055)	(16,781)	-	-
Purchase of property, plant and equipment and other non-current assets	(25,360)	(234,785)	-	-
Proceeds from sale of property, plant and equipment	2,345	38,914	-	-
Purchase of financial assets	(13,711)	(32,738)	(340)	(34,758)
Proceeds from sale of financial assets	8,587	32,266	160	-
Dividend received	158	93	-	-
Interest income received	8,335	7,881	-	-
<b>Net cash used in investing activities</b>	<b>(20,701)</b>	<b>(205,150)</b>	<b>(180)</b>	<b>(34,758)</b>
<b>Cash inflow / (outflow) from financing activities</b>				
Proceeds from borrowings	303,816	721,780	52,977	39,882
Repayment of borrowings	(145,091)	(421,630)	(51,740)	-
Finance costs paid	(186,741)	(202,933)	(1,029)	(2,447)
Payment of derivative liability	(2,508)	(2,451)	-	-
Net proceeds from issue of shares and share application money in subsidiary to non-controlling interest	2,437	64,976	-	-
Net refund of share application money	(2,759)	(3,285)	(2,759)	(1,502)
<b>Net cash flow (used in) / provided by financing activities</b>	<b>(30,846)</b>	<b>156,457</b>	<b>(2,551)</b>	<b>35,933</b>
Effect of exchange rate changes	(9,355)	(6,758)	(3,195)	784
<b>Net increase / (decrease) in cash and cash equivalent</b>	<b>2,019</b>	<b>(16,745)</b>	<b>1,034</b>	<b>1,185</b>
Cash and cash equivalents at the beginning of the period	40,733	55,934	1,065	173
<b>Cash and cash equivalents at the end of the period (refer note 11)</b>	<b>42,752</b>	<b>39,189</b>	<b>2,099</b>	<b>1,358</b>

(See accompanying notes to the interim condensed Consolidated and Company financial statements on page 11 to 27)

**KSK Power Ventur plc**

(All amount in thousands of US \$, unless otherwise stated)

**NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS**

for the six months ended 30 September 2015

**1. Corporate information****1.1. General information**

KSK Power Ventur plc ('the Company' or 'KPVP' or 'KSK' or 'Parent'), a limited liability corporation, is the Group's parent Company and is incorporated and domiciled in the Isle of Man. The address of the Company's Registered Office, which is also principal place of business, is Fort Anne, Douglas, Isle of Man, IM1 5PD. The Company's equity shares are listed on the Standard List on the official list of the London Stock Exchange.

The financial statements were authorised for issue by the Board of Directors on 26 November 2015.

**1.2. Statement of compliance /responsibility statement**

- a. the condensed set of financial statements contained in this document has been prepared in accordance with International Accounting Standard 34 ("IAS 34"), "Interim Financial Reporting" as adopted by European Union ('EU') and gives a true and fair view of the assets, liabilities, financial position and the profit or loss of the group as required by Disclosure and Transparency Rules ("DTR") 4.2.4R;
- b. the Interim management report contained in this document includes a fair review of the information required by the Financial Conduct Authority's DTR 4.2.7R (being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year);
- c. this document includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein);
- d. the interim condensed Consolidated and Company financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2015, which have been prepared in accordance with IFRSs.
- e. The financial information set out in these financial statements does not constitute statutory accounts. The financial statement is unaudited but has been reviewed by KPMG Audit LLC and their report is set out at the end of this document.

**1.3. Financial period**

The interim condensed Consolidated and Company financial statements are for the six months period ended 30 September 2015. The comparative information required by IAS 1 were determined using IAS 34 and include comparative information as follows:

Statement of financial position	31 March 2015 being the end of immediately preceding financial year.
Income statement, statement of other comprehensive income, statement of changes in equity and statement of cash flows	Six months ended 30 September 2014 being the comparable interim period of the immediate preceding financial year.

**1.4. Basis of preparation**

These interim condensed Consolidated and Company financial statements have been prepared under International Accounting Standards-34- "Interim Financial Reporting" as adopted by the European Union.

These interim condensed Consolidated and Company financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following:

- derivative financial instruments that are measured at fair value;
- financial instruments that are designated as being at fair value through profit or loss account upon initial recognition are measured at fair value;
- available-for-sale financial assets that are measured at fair value; and
- Net employee defined benefit (asset) / liability that are measured based on actuarial valuation

The financial statements of the Group and the Company have been presented in United States Dollars ('US \$'), which is the presentation currency of the Company. All amounts have been presented in thousands, unless specified otherwise.

Balances represent consolidated amounts for the Group, unless otherwise stated. The Company's financial statement represents separate financial statement of KPVP.

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

**Going Concern:** The financial statements have been prepared on the going concern basis which assumes the Group and the Company will have sufficient funds to continue its operational existence for the foreseeable future, covering at least twelve months from the date of signing these financial statements. The Group requires funds for both short term operational needs as well as for long term investment programmes, mainly in construction projects for its power plants.

As at 30 September 2015, the Group and Company have net current liabilities of US \$ 532,790 and US \$ 114,540 and is depending on a continuation of both short term and long term debt financing facilities. Such financing is subject to covenant and amortisation conditions. The Group also has significant capital commitments at the year-end of which a portion is due to be met during the year to 30 September 2016 (refer note 25), primarily in respect of on-going plant construction projects at KSK Mahanadi. The Group is also involved in a number of on-going legal and claim matters.

The Group continues to generate cash flows from current operations which are further expected to increase with higher plant load factor (PLF) both at KSK Mahanadi plant and Sai Wardha plant. These factors are key assumptions with regard to management's forecasts and expectations. While the transmission corridor constraint on KSK Mahanadi for the operation and sale of power from unit 2 has been resolved resulting in full load operation of two units of 600 MW each from the month of October 2015, long term PPA arrangement as well as interim arrangements for Sai Wardha are anticipated to be put in place shortly.

In addition, a number of the facilities that are due to expire at 30 September 2016 are in the process of being extended and have a rollover clause in a number of cases, and the Group may refinance and/or restructure certain short term borrowings into long borrowings and will also consider alternative sources of financing, where applicable. The Directors are confident that facilities will remain available to the Group based on current trading, covenant compliance and ongoing discussions with the Group's primary lending consortium regarding future facilities and arrangements in respect of current borrowings.

The Group currently had significant undrawn borrowing facilities, subject to certain conditions, amounting to approximately US \$ 469,799 to meet its long term investment programmes. However, the Group is currently in discussions with stakeholders regarding the terms of such existing drawn and undrawn financial commitments in order to match facilities to the current development and financing plans for KSK Mahanadi. Discussions with all stakeholders regarding such arrangements have been positive to date and the Groups lenders are supportive of proposed arrangements and necessary clarification in this regard has also been received by the financiers from the relevant authority. Nonetheless the Group monitors the situation on an on-going basis and plans alternative arrangements where necessary. The outcome of these discussions may impact on the timing of the strategic development of this plant.

As a consequence, the Directors have a reasonable expectation that the Company and Group are well placed to manage their business risks and continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis of accounting when preparing these financial statements.

## 2. Changes in accounting policy and disclosure

The accounting policies adopted are consistent with those of the previous financial year.

## 3. Significant accounting judgements, estimates and assumptions

There have been no significant changes in the significant accounting judgments, estimates and assumptions applied for the purposes of the preparation of these interim condensed Consolidated and Company financial statements.

## 4. Acquisition and Dilution – change in non-controlling interest without change in control

### a. Warrant issue by KSK Energy Ventures Limited

During the previous year ended 31 March 2015, the group has issued 80,808,080 warrants of face value of Rs. 10 (US \$ 0.16) each in KSK Energy Ventures Limited ('KEVL'), an Indian Listed subsidiary to KSK Power Holdings Limited ("KPHL") with an option to apply for and be allotted equivalent number of equity shares of the face value of Rs 10 (US \$ 0.16) each at a premium of Rs. 89 (US \$ 1.45) each on a preferential basis.

Pursuant to above, during the period ended 30 September 2015, KPHL acquired 1,736,580 shares of KSK Energy Ventures Limited ('KEVL') resulting in increase of the ownership interest of the Group in KEVL from 68.30 percent to 68.37 percent resulting in a 0.07 percent additional interest in subsidiary. The aforesaid transaction is accounted as an equity transaction, and accordingly no gain or loss is recognised in the interim condensed consolidated income statement. An amount of US \$ 347 by which the non-controlling interest is adjusted and debited to 'other reserve' within interim condensed consolidated statement of changes in equity and attributed to the owners of the Company

### b. Dilution in KSK Mahanadi Power Company Limited

During the year ended 30 September 2015, the Group has issued additional 112,000,000 equity shares in KSK Mahanadi Power Company Limited ("KMPCL") to KSK Energy Ventures Limited ("KEVL") at a face value of Rs 10 (US \$ 0.16) at par and 30,000,000 equity shares in KMPCL held by KSK Energy Limited ("KEL") has been transferred to KEVL

## KSK Power Ventur plc

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

Pursuant to above, the ownership interest of the Group in KMPCL decreased by 0.35 percent in a subsidiary without loss of control. The aforesaid transaction is accounted as an equity transaction, and no gain or loss is recognised in the Consolidated income statement. Pursuant to this an amount of US \$ 1,454 is debited to 'other reserve' within consolidated statement of changes in equity and attributed to the owners of the company.

c. *Dilution in KSK Dibbin Hydro Power Private Limited*

During the period ended 30 September 2015, the Group has issued additional 12,650,000 equity shares in KSK Dibbin Hydro Power Private Limited ("KDHPPL") to North Eastern Electric Power Corporation Limited (NEEPCO) at face value of Rs 10 (US \$ 0.16) each.

Pursuant to above, the ownership interest of the Group in KDHPPL decreased from 81.01 percent to 70.00 percent resulting in a 11.01 percent decrease in Group's controlling interest in a subsidiary without loss of control. The aforesaid transaction is accounted as an equity transaction, and no gain or loss is recognised in the interim condensed consolidated income statement. The difference of US \$ 140 between the fair value of the net consideration received (US \$ 1,969) and the amount by which the non-controlling interest are adjusted (US \$ 1,829), is credited to 'Other reserve' within interim condensed Consolidated statement of changes in equity and attributed to the owners of the company.

5. **Property, plant and equipment, net**

The property, plant and equipment of the Group comprise:

	Land and buildings	Power stations	Mining property	Other plant and equipment	Assets under construction	Total
<b>Cost</b>						
As at 1 April 2014	264,826	1,234,588	7,763	9,425	1,823,459	3,340,061
Additions	1,247	31	5,424	663	410,054	417,419
Business Combination	11,081	60,017	-	31	16	71,145
Transfer	173,733	1,009,392	-	-	(1,183,125)	-
Disposals/adjustments	(7,316)	(40,752)	-	(585)	(2,367)	(51,020)
Exchange difference	(11,896)	(55,463)	(348)	(423)	(87,014)	(155,144)
<b>As at 31 March 2015</b>	<b>431,675</b>	<b>2,207,813</b>	<b>12,839</b>	<b>9,111</b>	<b>961,023</b>	<b>3,622,461</b>
As at 1 April 2015	431,675	2,207,813	12,839	9,111	961,023	3,622,461
Additions	27	52	-	474	89,370	89,923
Transfer	6,479	14,474	-	-	(20,953)	-
Disposals/adjustments	(133)	(31)	-	(42)	-	(206)
Exchange difference	(23,552)	(120,456)	(699)	(495)	(47,422)	(192,624)
<b>As at 30 September 2015</b>	<b>414,496</b>	<b>2,101,852</b>	<b>12,140</b>	<b>9,048</b>	<b>982,018</b>	<b>3,519,554</b>
<b>Depreciation</b>						
As at 1 April 2014	17,213	99,280	1,873	6,413	-	124,779
Additions	7,433	49,495	477	1,192	-	58,597
Disposals / adjustments	(1,358)	(8,955)	-	(505)	-	(10,818)
Exchange difference	(951)	(5,647)	(96)	(317)	-	(7,011)
<b>As at 31 March 2015</b>	<b>22,337</b>	<b>134,173</b>	<b>2,254</b>	<b>6,783</b>	<b>-</b>	<b>165,547</b>
As at 1 April 2015	22,337	134,173	2,254	6,783	-	165,547
Additions	6,325	44,122	337	510	-	51,294
Disposals / adjustments	(9)	(95)	-	(36)	-	(140)
Exchange difference	(1,414)	(8,683)	(133)	(385)	-	(10,615)
<b>As at 30 September 2015</b>	<b>27,239</b>	<b>169,517</b>	<b>2,458</b>	<b>6,872</b>	<b>-</b>	<b>206,086</b>
<b>Net book value</b>						
<b>As at 30 September 2015</b>	<b>387,257</b>	<b>1,932,335</b>	<b>9,682</b>	<b>2,176</b>	<b>982,018</b>	<b>3,313,468</b>
<b>As at 31 March 2015</b>	<b>409,338</b>	<b>2,073,640</b>	<b>10,585</b>	<b>2,328</b>	<b>961,023</b>	<b>3,456,914</b>

Property, plant and equipment with a carrying amount of US \$ 3,152,102 (31 March 2015: US \$ 3,292,520) is subject to security restrictions (refer note 13).

## KSK Power Ventur plc

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

**6. Intangible assets and goodwill**

	Mining license	Goodwill	Total
<b>Cost</b>			
As at 1 April 2014	2,634	18,026	20,660
Disposals	-	(7,015)	(7,015)
Exchange difference	(118)	(810)	(928)
<b>As at 31 March 2015</b>	<b>2,516</b>	<b>10,201</b>	<b>12,717</b>
As at 1 April 2015	<b>2,516</b>	<b>10,201</b>	<b>12,717</b>
Disposals	-	-	-
Exchange difference	(137)	(557)	(694)
<b>As at 30 September 2015</b>	<b>2,379</b>	<b>9,644</b>	<b>12,023</b>
<b>Amortisation</b>			
As at 1 April 2014	415	-	415
Additions	136	-	136
Exchange difference	(22)	-	(22)
<b>As at 31 March 2015</b>	<b>529</b>	<b>-</b>	<b>529</b>
As at 1 April 2015	<b>529</b>	<b>-</b>	<b>529</b>
Additions	65	-	65
Exchange difference	(30)	-	(30)
<b>As at 30 September 2015</b>	<b>564</b>	<b>-</b>	<b>564</b>
<b>Net book value</b>			
<b>As at 30 September 2015</b>	<b>1,815</b>	<b>9,644</b>	<b>11,459</b>
<b>As at 31 March 2015</b>	<b>1,987</b>	<b>10,201</b>	<b>12,188</b>

The goodwill acquired through business combinations have been allocated to the following cash generating units of the Group, for impairment testing as follows:

	30 September 2015	31 March 2015
J R Power Gen Private Limited	22	22
Sai Wardha Power Limited	3,539	3,745
Sitapuram Power Limited	4,988	5,276
Sai Regency Power Corporation Private Limited	1,095	1,158
	<b>9,644</b>	<b>10,201</b>

Goodwill is tested for impairment annually and was performed last at 31 March 2015. There were no further circumstances which indicated that the carrying value may be impaired as at 30 September 2015. Hence no impairment testing was carried out in the interim period ended 30 September 2015.

## KSK Power Ventur plc

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

**7. Investments and other financial assets**

	Consolidated		Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>Current</b>				
Financial assets at fair value through profit or loss				
- held-for-trading	15,689	2,589	-	-
- Derivative assets	11	-	-	-
Loans and receivables	34,394	28,724	23	27
Loans to and receivables from Joint Venture partner	23	-	-	-
	<b>50,117</b>	<b>31,313</b>	<b>23</b>	<b>27</b>
<b>Non-current</b>				
Financial assets at fair value through profit or loss				
- Derivative assets	48,183	49,702	-	-
Available-for-sale investments	18,113	19,155	-	-
Deposit with banks	5,013	8,102	-	-
Loans and receivables	24,301	37,688	780	5,100
Loans to and receivables from Joint Venture partner	14,979	15,844	-	-
Loans to and receivable from subsidiaries	-	-	173,387	171,676
Investment in subsidiaries	-	-	226,841	227,126
	<b>110,589</b>	<b>130,491</b>	<b>401,008</b>	<b>403,902</b>
<b>Total</b>	<b>160,706</b>	<b>161,804</b>	<b>401,031</b>	<b>403,929</b>

*Impairment of financial assets*

During the period ended 30 September 2015, the Group's available-for-sale financial asset of US \$ 26 (31 March 2015: US \$ 693) and loans and receivable of US \$ 1,210 (31 March 2015: US \$ 25,095) were collectively impaired and written off.

During the period ended 30 September 2015, the Company's loans and receivable of US \$ Nil (31 March 2015: US \$ Nil) were collectively impaired.

**8. Other assets**

	Consolidated		Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>Current</b>				
Advance to suppliers	35,179	27,591	-	-
Prepayments	7,006	7,577	607	320
Income tax receivable	1	3,587	-	-
Other receivables	1,672	1,704	-	-
	<b>43,858</b>	<b>40,459</b>	<b>607</b>	<b>320</b>
<b>Non-current</b>				
Development of mineral assets	39,029	41,231	-	-
Prepayments	24,969	28,320	-	-
Income tax receivable	13,592	12,245	-	-
Other receivables	17,315	20,850	-	-
	<b>94,905</b>	<b>102,646</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>138,763</b>	<b>143,105</b>	<b>607</b>	<b>320</b>

## KSK Power Ventur plc

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

**9. Trade and other receivables**

	30 September 2015	31 March 2015
<b>Current</b>		
Trade receivables	186,108	142,806
Unbilled revenue	267	627
Interest accrued	10,886	10,779
	<b>197,261</b>	<b>154,212</b>
<b>Non-current</b>		
Trade receivables	1,950	1,983
Interest accrued	603	862
	<b>2,553</b>	<b>2,845</b>
<b>Total</b>	<b>199,814</b>	<b>157,057</b>

The movement in the allowances for impairment in respect of trade and other receivable during the period/ year was as follows:

	30 September 2015	31 March 2015
Opening balance	5,112	5,918
Impairment loss recognised	2,270	3,555
Reversal of impairment loss recognised	-	-
Amount written off	-	(4,108)
Exchange difference	(349)	(253)
<b>Closing balance</b>	<b>7,033</b>	<b>5,112</b>

**10. Inventories**

	30 September 2015	31 March 2015
Fuel (at cost)	10,273	13,983
Stores and spares (at cost)	23,484	18,260
Others	198	210
<b>Total</b>	<b>33,955</b>	<b>32,453</b>

**11. Cash and short-term deposits**

Cash and short-term deposits comprise of the following:

	Consolidated		Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
Cash at banks and on hand	42,750	40,730	2,099	1,065
Short-term deposits	158,320	157,266	-	-
<b>Total</b>	<b>201,070</b>	<b>197,996</b>	<b>2,099</b>	<b>1,065</b>

For the purpose of cash flow statement, cash and cash equivalent comprise:

	Consolidated		Company	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
Cash at banks and on hand	42,750	39,189	2,099	1,358
Short-term deposits	158,320	154,902	-	-
<b>Total</b>	<b>201,070</b>	<b>194,091</b>	<b>2,099</b>	<b>1,358</b>
<i>Less: Restricted cash<sup>1</sup></i>	(158,318)	(154,902)	-	-
<b>Cash and cash equivalent</b>	<b>42,752</b>	<b>39,189</b>	<b>2,099</b>	<b>1,358</b>

<sup>1</sup>Include deposits pledged for availing credit facilities from banks and deposits with maturity term of three months to twelve months.



## KSK Power Ventur plc

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

**12. Issued share capital***Share capital*

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Company on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Company.

The Company has an authorised share capital of 500,000,000 equity shares (31 March 2015: 500,000,000) at par value of US \$ 0.002 (£ 0.001) per share amounting to US \$ 998. The issued and fully paid up number of shares of the company is 175,308,600 (31 March 2015: 175,308,600). During the period company has not issued/ bought back any ordinary share.

Share application money represents amount received from investors / parents pending allotment of ordinary shares.

*Reserves*

Share premium represents the amount received by the Group over and above the par value of shares issued. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax consequences.

Revaluation reserve comprises gains and losses due to the revaluation of previously held interest of the assets acquired in a business combination.

Foreign currency translation reserve is used to record the exchange difference arising from the translation of the financial statements of the Group entities and the same is not distributable.

Capital redemption reserve represents statutory reserve required to be maintained under local law of India on account of redemption of capital. The reserve is credited equivalent to amount of capital redeemed by debiting retained earnings and the same is not distributable.

Other reserve represents the difference between the consideration paid and the adjustment to net assets on change of controlling interest, without change in control and the excess of the fair value of share issued in business combination over the par value of such shares. Any transaction costs associated with the issuing of shares by the subsidiaries are deducted from other reserves, net of any related income tax consequences. Further, it also includes the loss / gain on fair valuation of available-for-sale financial instruments and re-measurement of defined benefit liability net of taxes and the same is not distributable.

Retained earnings mainly represent all current and prior year results as disclosed in the interim condensed consolidated income statement and interim condensed consolidated other comprehensive income less dividend distribution.

**13. Loans and borrowings**

The loans and borrowings comprise of the following:

	Final Maturity	Consolidated		Company	
		30 September 2015	31 March 2015	30 September 2015	31 March 2015
Long-term "project finance" loans	June-2028	2,758,538	2,760,503	-	-
Short-term loans	September-16	183,906	168,273	80,802	64,564
Buyers' credit facility	September-16	131,911	148,687	35,000	49,681
Cash credit and other working capital facilities	September-16	129,518	111,305	-	-
Redeemable preference shares	January-2029	10,942	11,564	-	-
Debentures	March-2025	43,314	44,217	-	-
<b>Total</b>		<b>3,258,129</b>	<b>3,244,549</b>	<b>115,802</b>	<b>114,245</b>

The interest-bearing loans and borrowings mature as follows:

	Consolidated		Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>Current liabilities</b>				
Amounts falling due within one year	620,900	521,953	115,802	114,245
<b>Non-current liabilities</b>				
Amounts falling due after more than one year but not more than five years	1,075,834	1,087,518	-	-
Amounts falling due in more than five years	1,561,395	1,635,078	-	-
<b>Total</b>	<b>3,258,129</b>	<b>3,244,549</b>	<b>115,802</b>	<b>114,245</b>

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

Current liabilities include an amount of US \$ 46,798 in KSK Mahanadi, which is scheduled for repayment with in next twelve months as per the earlier schedule of repayment. However, the Group has already lodged the necessary application outlining the various factors beyond its control and requesting project stake holders regarding the necessary extension terms of existing drawn and undrawn financial facilities in line with the policy framework applicable to all Infrastructure projects in India. The Group is confident that the same would be favourably addressed by the project lenders shortly and pending outcome of the same, the above referred amount is classified under current liabilities..

- Long-term “project finance” loans of the Group amounting US \$ 2,758,538 (31 March 2015: US \$ 2,760,503) is fully secured on the property, plant and equipment and other assets of subsidiaries and joint operations that operate power stations, allied services and by a pledge over the promoter’s shareholding in equity and preference capital of some of the subsidiaries and joint operations and corporate guarantee provided by the Company.
- The short term loans taken by the Group are secured by the corporate guarantee provided by the Company, fixed deposits of the Group and by pledge of shares held in the respective entities.
- Buyer’s credit facility is secured against property, plant and equipment and other assets on pari-passu basis, pledge of fixed deposits and corporate guarantee of KEVL. These loans bear interest at LIBOR plus 25 to 300 basis points.
- A number of the facilities that are due to expire at 30 September 2016 are in the process of being extended and have a rollover clause in a number of cases.
- Cash credit and other working capital facilities are fully secured against property, plant and equipment and other assets on pari-passu basis with other lenders of the respective entities availing the loan facilities.
- Redeemable preference shares are due for repayment in 0-14 years.
- Debentures are secured on the property, plant and equipment and other assets of subsidiaries that operate power stations, allied services and by a pledge over the promoter’s shareholding in equity capital of some of the subsidiaries.

**14. Other financial liabilities**

	30 September 2015	31 March 2015
<b>Current</b>		
Option premium payable	5,529	5,506
Forward exchange forward contracts	-	453
	<b>5,529</b>	<b>5,959</b>
<b>Non-Current</b>		
Option premium payable	19,566	22,099
Interest rate swaps	5,648	4,763
	<b>25,214</b>	<b>26,862</b>
<b>Total</b>	<b>30,743</b>	<b>32,821</b>

**15. Trade and other payables**

	Consolidated		Company	
	30 September 2015	31 March 2015	30 September 2015	31 March 2015
<b>Current</b>				
Trade payable	112,572	90,306	1,467	1,372
Other payable	208,778	196,650	-	-
Interest payable	108,418	82,634	-	-
	<b>429,768</b>	<b>369,590</b>	<b>1,467</b>	<b>1,372</b>
<b>Non-current</b>				
Trade payable	29,298	32,642	-	-
Other payable	14,124	14,939	-	-
	<b>43,422</b>	<b>47,581</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>473,190</b>	<b>417,171</b>	<b>1,467</b>	<b>1,372</b>

Trade payables are non-interest bearing and are normally settled on 45 days terms.

- Non-current trade payables are non-interest bearing and will be settled in 1-8 years.
- Interest payable is normally settled monthly throughout the financial year.

## NOTES TO INTERIM CONDENSED CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

for the six months ended 30 September 2015

(All amount in thousands of US \$, unless otherwise stated)

- Other payable mainly includes payable against acquisition of capital asset.

**16. Provisions**

	Decommissioning and restoration costs	Contingent liability	Total
<b>Non-current</b>			
As at 1 April 2014	2,494	-	2,494
Business combination	(170)	819	649
Unwinding of discount	183	-	183
Exchange difference	(116)	-	(116)
<b>As at 31 March 2015</b>	<b>2,391</b>	<b>819</b>	<b>3,210</b>
As at 1 April 2015	2,391	819	3,210
Unwinding of discount	87	-	87
Exchange difference	(133)	(45)	(178)
<b>As at 30 September 2015</b>	<b>2,345</b>	<b>774</b>	<b>3,119</b>

A provision has been recognised for decommissioning and restoration costs associated with construction of a power plant. The unwinding of the discount on the decommissioning provision is included as a finance costs and the discount rate assumed is 7.5% (31 March 2015: 7.5%).

**17. Deferred revenue**

	30 September 2015	31 March 2015
<b>Opening balance</b>	<b>3,134</b>	<b>5,714</b>
Transferred to the revenue	(62)	(2,269)
Transferred to the other operating income	(59)	(111)
Exchange difference	(166)	(200)
<b>Closing balance</b>	<b>2,847</b>	<b>3,134</b>
Current	233	310
Non-current	2,614	2,824
	<b>2,847</b>	<b>3,134</b>

**18. Segment information**

The Group has adopted the “management approach” in identifying the operating segments as outlined in IFRS 8. Management has analysed the information that the chief operating decision maker reviews and concluded on the segment disclosure.

For management purposes, the Group is organised into business units based on their services and has two reportable operating segments as follows:

- Power generating activities and
- Project development activities

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the interim condensed Consolidated financial statements. Group financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. There is only one geographical segment as all the operations and business is carried out in India.

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Period ended 30 September 2015	Project development activities	Power generating activities	Reconciling / Elimination activities	Consolidated
<b>Revenue</b>				
External customers	17	245,448	-	245,465
Inter-segment	1,738	-	(1,738)	-
<b>Total revenue</b>	<b>1,755</b>	<b>245,448</b>	<b>(1,738)</b>	<b>245,465</b>
<b>Segment operating results</b>				
Unallocated operating expenses, net	1,016	27,916	371	29,303
Finance costs				(626)
Finance income				(184,721)
<b>Loss before tax</b>				<b>9,551</b>
Tax income				<b>(146,493)</b>
<b>Loss after tax</b>				<b>48,832</b>
Segment assets	10,396	3,893,883	(4,474)	3,899,805
Unallocated assets				329,050
<b>Total assets</b>				<b>4,228,855</b>
Segment liabilities	8,438	345,490	(4,474)	349,454
Unallocated liabilities				3,454,161
<b>Total liabilities</b>				<b>3,803,615</b>
<b>Other segment information</b>				
Depreciation and amortisation	43	51,276	40	<b>51,359</b>
Capital expenditure	3	89,891	29	<b>89,923</b>
<b>Period ended 30 September 2014</b>				
	<b>Project development activities</b>	<b>Power generating activities</b>	<b>Reconciling / Elimination activities</b>	<b>Consolidated</b>
<b>Revenue</b>				
External customers	52	175,803	-	175,855
Inter-segment	4,122	-	(4,122)	-
<b>Total revenue</b>	<b>4,174</b>	<b>175,803</b>	<b>(4,122)</b>	<b>175,855</b>
<b>Segment operating results</b>				
Unallocated operating expenses, net	3,253	26,681	(540)	29,394
Finance costs				(770)
Finance income				(106,695)
<b>Loss before tax</b>				<b>9,037</b>
Tax income				<b>(69,034)</b>
<b>Loss after tax</b>				<b>12,386</b>
Segment assets	11,720	3,894,662	(2,076)	3,904,306
Unallocated assets				230,734
<b>Total assets</b>				<b>4,135,040</b>
Segment liabilities	3,747	287,361	(2,076)	289,032
Unallocated liabilities				3,272,962
<b>Total liabilities</b>				<b>3,561,994</b>
<b>Other segment information</b>				
Depreciation and amortisation	69	29,606	48	<b>29,723</b>
Capital expenditure	16	213,032	44	<b>213,092</b>

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*Notes to segment reporting:*

- (a) Inter-segment revenues are eliminated on consolidation.
- (b) Profit / (loss) for each operating segment does not include finance income and finance costs of US \$ 9,551 and US \$ 184,721 respectively (30 September 2014: US \$ 9,037 and US \$ 106,695 respectively).
- (c) Segment assets do not include deferred tax asset of US \$ 169,620 (30 September 2014: US \$ 50,534), financial assets and other investments US \$ 108,289 (30 September 2014: US \$ 137,097), short-term deposits with bank and cash US \$ 24,244 (30 September 2014: US \$ 11,987), and corporate assets US \$ 26,897 (30 September 2014: US \$ 31,116).
- (d) Segment liabilities do not include deferred tax US \$ 32,111 (30 September 2014: US \$ 35,869), current tax payable US \$ 2,621 (30 September 2014: US \$ 2,959), interest-bearing current and non-current borrowings US \$ 3,258,129 (30 September 2014: US \$ 3,113,101), derivative liabilities US \$ 30,743 (30 September 2014: US \$ 31,231) and corporate liabilities US \$ 130,557 (30 September 2014: US \$ 89,802).
- (e) The Company operates in one business and geographic segment. Consequently no segment disclosures of the Company are presented.
- (f) Two customers in the power generating segment contributing revenues of US \$ 144,648 accounted for 58.93% (30 September 2014: One customer in the power generating segment contributing revenues of US \$ 88,392 accounted for 50.28%) of the total segment revenue.

**19. Depreciation, amortisation, costs of inventories included in the interim condensed Consolidated income statement**

	30 September 2015	30 September 2014
<b>Included in cost of revenue:</b>		
Fuel costs	122,702	95,227
Depreciation	44,450	25,201
Amortisation of intangible asset	65	69
<b>Included in general and administrative expenses:</b>		
Depreciation	6,844	4,453
Impairment of trade and other receivable	3,480	-

**20. Other operating income**

Other operating income comprises:

	30 September 2015	30 September 2014
Income from management fees	121	129
Gain on disposal of property, plant and equipment, net	17	-
Claims received <sup>1</sup>	-	8,076
Deferred revenue amortisation	59	57
Other operating income	151	361
<b>Total</b>	<b>348</b>	<b>8,623</b>

<sup>1</sup> Claims received includes an amount of US \$ Nil (30 September 2014: US \$ 8,076) received from an Engineering, Procurement and Construction (EPC) contractor.

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**21. Finance costs**

Finance costs comprise:

	Consolidated		Company	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
Interest expenses on loans and borrowings <sup>1</sup>	147,261	73,738	600	615
Other finance costs	8,579	13,182	786	798
Impairment of financial assets <sup>2</sup>	26	33	-	-
Net loss on financial instrument at fair value through profit or loss <sup>3</sup>	1,048	112	-	-
Foreign exchange loss, net	26,792	18,730	311	241
Unwinding of discounts	1,015	900	-	-
<b>Total</b>	<b>184,721</b>	<b>106,695</b>	<b>1,697</b>	<b>1,654</b>

<sup>1</sup>Borrowing cost capitalised during the year amounting to US \$ 65,935 (30 September 2014: US \$ 117,520).<sup>2</sup> Impairment of financial assets relates to available-for-sale financial asset of US \$ 26 (30 September 2014: US \$ 33).<sup>3</sup>Net loss on financial instrument at fair value through profit or loss above relates to foreign exchange forward contracts, currency options and interest rate swap that did not qualify for hedge accounting.**22. Finance income**

The finance income comprises:

	30 September 2015	30 September 2014
Interest income		
bank deposits	6,779	7,120
loans and receivables	1,482	858
Dividend income	289	228
Net gain on held-for-trading financial assets		
on disposal	4	3
on re-measurement	70	21
Unwinding of discount on security deposits	927	807
<b>Total</b>	<b>9,551</b>	<b>9,037</b>

**23. Tax income / (expense)**

The major components of income tax for the period ended 30 September 2015 and 30 September 2014 are:

	30 September 2015	30 September 2014
Current tax	(2,178)	(905)
Deferred tax	51,010	13,291
<b>Tax income reported in the income statement</b>	<b>48,832</b>	<b>12,386</b>

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Deferred income tax at 30 September 2015 and 31 March 2015 relates to the following:

	30 September 2015	31 March 2015
<i>Deferred income tax assets</i>		
Property, plant and equipment	4,511	4,554
Unused tax losses carried forward	272,323	230,186
MAT credit	9,482	9,961
Others	4,335	3,922
	<b>290,651</b>	<b>248,623</b>
<i>Deferred income tax liabilities</i>		
Property, plant and equipment	151,632	151,778
Others	1,510	2,518
	<b>153,142</b>	<b>154,296</b>
<b>Deferred income tax asset, net</b>	<b>137,509</b>	<b>94,327</b>

*Reconciliation of deferred tax asset /(liability), net*

	30 September 2015	30 September 2014
Opening balance	94,327	1,702
Deferred tax income during the period recognised in the income statement	51,010	13,291
Deferred tax income during the period recognised in other comprehensive income	(461)	19
MAT credit adjustment	(685)	-
Exchange difference	(6,682)	(347)
<b>Closing balance</b>	<b>137,509</b>	<b>14,665</b>

The Group is subject to the provisions of Minimum Alternate Tax ('MAT') under the Indian Income taxes. Accordingly, the Group calculated the tax liability for current taxes in India after considering MAT.

The Group has carried forward credit in respect of MAT liability paid to the extent it is probable that future taxable profit will be available against which such tax credit can be utilized.

Income tax expense is recognised based on Management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group's consolidated effective tax rate for the six months ended 30 September 2015 was 33.33 % (six months ended 30 September 2014 was 17.94%). The change in effective tax rate was caused mainly on account of recognition of deferred tax assets in certain Group companies.

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**24. Related party transactions**

The table below set out transactions with related parties that occurred in the normal course of trading.

Particulars	Consolidated						Company					
	30 September 2015			30 September 2014			30 September 2015			30 September 2014		
	Joint operat ions	Parent / GUP	KM P	Joint operatio ns	Pare nt / GUP	K MP	Subsid iaries	Parent / GUP	KMP	Subsi diarie s	Parent / GUP	KMP
<b>Transactions<sup>1,2</sup></b>												
Corporate support services fees	17	-	-	53	-	-	-	-	-	-	-	-
Interest income	263	-	-	372	-	-	-	-	-	-	-	-
Capacity charges paid	-	-	-	1,275	-	-	-	-	-	-	-	-
Inter-corporate deposits and loans given	48	30	-	15,619	-	-	5,339	-	-	36,290	-	-
Inter-corporate deposits and loans refunded	-	(132)	-	(13,766)	-	-	(3,977)	-	-	-	-	-
Loan taken	-	425	-	-	-	-	14	-	-	38,649	-	-
Refund of share application money	-	2,759	-	-	1,502	-	-	2,759	-	-	1,502	-
Equity-settled share based payment	-	-	24	-	-	58	-	-	24	-	-	58
Managerial remuneration <sup>3</sup>	-	-	328	-	-	366	-	-	161	-	-	188
	<b>30 September 2015</b>			<b>30 September 2014</b>			<b>30 September 2015</b>			<b>30 September 2014</b>		
<b>Balances<sup>1,2</sup></b>												
Interest receivable	3,896	-	-	3,829	-	-	-	-	-	-	-	-
Interest payable	-	-	-	9	-	-	-	-	-	-	-	-
Loans and inter corporate deposits	15,002	799	-	32,919	1,005	-	173,387	23	-	166,068	-	-
Loans payable	-	413	-	-	-	-	61,970	-	-	37,524	-	-
Other receivable	10	-	-	581	-	-	-	-	-	-	-	-
Other payable	1,373	-	-	1,581	-	-	-	-	-	-	-	-
Guarantees given	135	-	-	146	-	-	465,087	-	-	468,139	-	-
Managerial remuneration payable <sup>3</sup>	-	-	117	-	-	109	-	-	79	-	-	87

**25. Commitments and contingencies***Capital commitments*

As at 30 September 2015, the Group is committed to purchase property, plant and equipment for US \$ 1,281,469 (31 March 2015: US \$ 1,300,892). In respect of its interest in joint operations the Group is committed to incur capital expenditure of US \$ 49 (31 March 2015: US \$ 51).

*Guarantees*

- The Company has guaranteed to unrelated parties for the loans and non-fund based facilities availed by subsidiaries for US \$ 307,087 (31 March 2015: US \$ 275,977) and
- The Group guaranteed the performance of the joint operations under the power delivery agreements to unrelated parties. No liability is expected to arise.



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*Legal and other claim*

As a part of the environment and activities of the Group, the Group is exposed to a number of litigation and claim matters which may significantly impact receivables or payables. No significant adverse developments have occurred in respect of these matters during the period. Litigation and other matters are disclosed in detail in note number 30 in 31 March 2015 financials.

**26. Financial Instruments****Carrying amounts versus fair values**

The fair values of financial assets and financial liabilities, together with the carrying amounts in the interim condensed Consolidated statement of financial position are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value
	30 September 2015	30 September 2015	31 March 2015	31 March 2015
<b>Non- current financial assets</b>				
Trade and other receivables	2,553	2,553	2,845	2,845
Equity securities - available-for-sale	18,113	18,113	19,155	19,155
Loans and receivables	39,280	39,280	53,532	53,532
Derivative assets	48,183	48,183	49,702	49,702
Non-current bank deposits	5,013	5,013	8,102	8,102
<b>Total non-current</b>	<b>113,142</b>	<b>113,142</b>	<b>133,336</b>	<b>133,336</b>
<b>Current financial assets</b>				
Trade and other receivables	197,261	197,261	154,212	154,212
Equity securities – held for trading	107	107	152	152
Debt securities-held for trading	15,582	15,582	2,437	2,437
Derivative assets	11	11	-	-
Loans and receivables	34,417	34,417	28,724	28,724
Cash and short-term deposits	201,070	201,070	197,996	197,996
<b>Total current</b>	<b>448,448</b>	<b>448,448</b>	<b>383,521</b>	<b>383,521</b>
<b>Total</b>	<b>561,590</b>	<b>561,590</b>	<b>516,857</b>	<b>516,857</b>
<b>Non- current financial liabilities</b>				
Trade and other payables	43,422	43,422	47,581	47,581
Loans and borrowings	2,637,229	2,637,229	2,722,596	2,722,596
Interest rate swaps	5,648	5,648	4,763	4,763
Option premium payable	19,566	19,566	22,099	22,099
<b>Total non-current</b>	<b>2,705,865</b>	<b>2,705,865</b>	<b>2,797,039</b>	<b>2,797,039</b>
<b>Current financial liabilities</b>				
Trade and other payables	429,768	429,768	369,590	369,590
Loans and borrowings	620,900	620,900	521,953	521,953
Foreign exchange forward contract	-	-	453	453
Option premium payable	5,529	5,529	5,506	5,506
<b>Total current</b>	<b>1,056,197</b>	<b>1,056,197</b>	<b>897,502</b>	<b>897,502</b>
<b>Total</b>	<b>3,762,062</b>	<b>3,762,062</b>	<b>3,694,541</b>	<b>3,694,541</b>

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The fair values of financial assets and financial liabilities, together with the carrying amounts in the company statement of financial position are as follows:

	Carrying amount	Fair value	Carrying amount	Fair value
	30 September 2015	30 September 2015	31 March 2015	31 March 2015
<b>Non-current financial assets</b>				
Loans and receivables to subsidiaries	173,387	173,387	171,676	171,676
Loans and receivables	780	780	5,100	5,100
<b>Total non-current</b>	<b>174,167</b>	<b>174,167</b>	<b>176,776</b>	<b>176,776</b>
<b>Current financial assets</b>				
Loans and receivables	23	23	27	27
Cash and short-term deposits	2,099	2,099	1,065	1,065
<b>Total current</b>	<b>2,122</b>	<b>2,122</b>	<b>1,092</b>	<b>1,092</b>
<b>Total</b>	<b>176,289</b>	<b>176,289</b>	<b>177,868</b>	<b>177,868</b>
<b>Current financial liabilities</b>				
Trade and other payables	1,467	1,467	1,372	1,372
Loans and borrowings	115,802	115,802	114,245	114,245
<b>Total current</b>	<b>117,269</b>	<b>117,269</b>	<b>115,617</b>	<b>115,617</b>

**Fair value hierarchy**

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised in to different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.
- Level 3: valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 September 2015	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Equity securities - available-for-sale	464	-	17,649	18,113
Equity securities - held for trading	107	-	-	107
Debt securities-held for trading	15,582	-	-	15,582
Derivative assets	-	48,194	-	48,194
<b>Total</b>	<b>16,153</b>	<b>48,194</b>	<b>17,649</b>	<b>81,996</b>
<b>Financial liabilities measured at fair value</b>				
Interest rate swaps	-	5,648	-	5,648
Option premium payable	-	25,095	-	25,095
<b>Total</b>	<b>-</b>	<b>30,743</b>	<b>-</b>	<b>30,743</b>

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the period ended 30 September 2015, there were no transfers between Level 1 and Level 2 fair value measurements.

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Reconciliation of Level 3 fair value measurements of financial assets:

<b>30 September 2015</b>	<b>Available-for-sale Unquoted Equities</b>	<b>Total</b>
Opening balance	18,644	18,644
Total gains or losses:		
- in income statement	-	-
- in other comprehensive income		
change in fair value of available for sale financial asset	23	23
foreign currency translation difference	(1,018)	(1,018)
Settlements	-	-
Transfers into level 3	-	-
<b>Closing balance</b>	<b>17,649</b>	<b>17,649</b>

<b>31 March 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>				
Equity securities - available-for-sale	511	-	18,644	19,155
Equity securities - held for trading	152	-	-	152
Debt securities-held for trading	2,437	-	-	2,437
Derivative assets	-	49,702	-	49,702
<b>Total</b>	<b>3,100</b>	<b>49,702</b>	<b>18,644</b>	<b>71,446</b>
<b>Financial liabilities measured at fair value</b>				
Interest rate swaps	-	4,763	-	4,763
Option premium payable	-	27,605	-	27,605
Foreign exchange forward contract	-	453	-	453
<b>Total</b>	<b>-</b>	<b>32,821</b>	<b>-</b>	<b>32,821</b>

During the year ended 31 March 2015, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation of Level 3 fair value measurements of financial assets:

<b>31 March 2015</b>	<b>Available-for-sale Unquoted Equities</b>	<b>Total</b>
Opening balance	21,439	21,439
Total gains or losses:		
- in income statement	-	-
- in other comprehensive income		
change in fair value of available for sale financial asset	(1,877)	(1,877)
foreign currency translation difference	(918)	(918)
Settlements	-	-
Transfers into level 3	-	-
<b>Closing balance</b>	<b>18,644</b>	<b>18,644</b>