



KSK Power Ventur PLC - KSK

Half Yearly Report

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26 November 2015

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KSK Power Ventur plc
("KSK" or the "Group" or the "Company")
Interim Results for the half year ended 30 Sep 2015

KSK Power Ventur plc (KSK.L), the power project company listed on the London Stock Exchange, with interests in multiple power plants and businesses across India, announces its interim results for the half year ended 30 Sep 2015.

Financial Highlights

- Gross Revenue increased by 40% to \$ 245.47 m (H1 2015: \$ 175.86 m)
- Gross Profit increased by 40% to \$ 52.64 m (H1 2015: \$ 37.66 m)
- Operating Profit remains constant at \$ 28.68 m (H1 2015: \$ 28.62 m)
- Loss before tax* moved to a loss of \$ 146.49 m (H1 2015: loss of \$ 69.03 m)
- Investments in Property Plant and Equipment** decreased 4% to \$ 3,313 m (March 2015: \$ 3,457 m)

*This includes an unrealised exchange loss of \$ 27.93 million due to restatement of the foreign currency component of certain bank financing facilities and trade payables.

** Underlying increase of 1 % on a constant currency basis, but headline decrease on account of translation difference from base currency of INR 66.2958 per \$ at closing as against INR 62.6788 per \$ at March 2015.

While underlying revenue and gross profit have both grown compared to the same period last year, operating profit has remained constant and loss before tax has increased, due to higher finance costs. During the period, the pending PPA finalisation at Sai Wardha, coupled

with continuing transmission corridor constraints of the national grid at KSK Mahanadi restricted actual generation, resulting in lower than expected PLF at Sai Wardha and KSK Mahanadi, causing mismatches in meeting overall financing costs.

However, we are pleased to report that, starting early October 2015, the two 600 MW units at KSK Mahanadi became fully operational. Compared to the gross generation of 2,134 GWh during the first half, generation rose to 1,156 GWh during the first 45 days of the second half, and improvements both in revenue and gross profit are expected in the second half of the current financial year, with full benefits on a full year basis during FY2017.

Comparison of results

| | 30 Sep 2015 (USD m) | 30 Sep 2014 (USD m) | % change | 30 Sep 2015* (USD m) | 30 Sep 2014 (USD m) | % change |
|-------------------------------------|--|--|-----------------|---|--|-----------------|
| Revenue | 245.47 | 175.86 | 40% | 261.95 | 175.86 | 49% |
| Gross profit | 52.64 | 37.66 | 40% | 56.17 | 37.66 | 49% |
| Operating profit | 28.68 | 28.62 | - | 30.60 | 28.62 | 7% |
| (Loss) / profit before tax | (146.49) | (69.03) | 112% | (156.33) | (69.03) | 126% |
| <i>Average exchange rate Rs/USD</i> | <i>Rs</i> 64.250 | <i>Rs</i> 60.207 | | | | |

*September 2015 translated at September 2014 Rs/USD exchange

Operating Highlights

- Operating assets generated 4,026 GWh in the first half, compared to 2,950 GWh for the similar period in the previous year, an increase of 36%, with the following plant load factors ("PLF"):

| | 30 Sep 2015 | 30 Sep 2014 |
|-------------------------|--------------------|--------------------|
| KSK Mahanadi (1200 MW)* | 2,134 GWh (40%) | 1,444 GWh (55%) |
| Sai Wardha (540 MW) | 986 GWh (42%) | 547 GWh (23%) |
| VS Lignite (135 MW) | 418 GWh (70%) | 473 GWh (80%) |
| Sai Regency (58 MW) | 228 GWh (91%) | 217 GWh (85%) |
| Sai Lilagar (86 MW) | 93 GWh (25%) | 95 GWh (25%) |
| Sitapuram Power (43 MW) | 159 GWh (84%) | 166 GWh (88%) |
| Solar Project (10 MW) | 8 GWh (19%) | 8 GWh (18%) |

* Previous year calculated on 600 MW basis

- With the recent commissioning of the first two 600 MW units at the 3.6 GW KSK Mahanadi power project, phased construction in line with available incremental capital expenditure is underway to commission the next two 600 MW units during the second half of FY 2017 with the remaining 1,200 MWs scheduled to be completed during the second half of FY 2018.
- High coal costs continue to constrain operations at Sai Wardha in addition to PPA issues on the IPP phase of the output. Regarding coal cost reduction, following a decision made by the Competition Commission of India; Western Coal Fields approached the Competition Appellate Tribunal and ruling on the appeal is awaited shortly and therefore it is anticipated that the issue could be resolved in the second half of the year.
- Favourable additional offtake agreements have been received on the captive phase with two PPAs from Lupin Limited and Hindustan Petroleum Corporation Limited totalling 33 MW. A Letter of Intent for 10 MW was also received from RCF Limited. In addition to the long term PPA with MSEDCL (a local state utility company), interim short term power sale arrangements are being explored to improve asset utilisation levels, enabling revenues and profitability to continue to experience marginal improvements in the short term, ahead of the full improvements being realised.
- Notwithstanding the challenges across the sector and exchange rate volatility that distorts the Company's performance, the combination of our underlying assets, our risk mitigation strategies and certain recent positive developments should, in the long term, assist in moving the Company back towards meeting market expectations. However, in the short term, owing to capacity utilisation rates remaining below the Board's initial plans, these changes will be gradual.

Commenting on the results, T. L. Sankar, Chairman of KSK said:

"The first half of the current year witnessed the Company's power plants' aggregate gross generation increasing to 4.02 TWhs, helped by the commencement of supplies from the second 600 MW unit at KSK Mahanadi. With the challenges at Sai Wardha and KSK Mahanadi being addressed, it is anticipated that gross generation could achieve 9 TWhs during 2015-16.

With regards to fuel supplies, it is understood the Ministry of Power and Ministry of Coal are currently considering a comprehensive new plan and structure wherein the coal linkages could be formulated to address needs of those power plants that have long term PPA commitments to state owned DISCOMS in place, and have made physical progress on the ground. We believe that KSK Mahanadi, with multiple DISCOMS supply PPAs in place, is well positioned to address our coal requirements.

The Company continues to be in discussions with the project stakeholders regarding the terms of existing drawn and undrawn financial facilities and additional financing plans to enable KSK Mahanadi to continue with the project execution. Discussions with all stakeholders regarding such arrangements have been positive to date and the Company's lenders are supportive of the proposed arrangements, subject to them obtaining necessary consents.

KSK's performance during the period would not have been possible without the valuable and appreciated support of its shareholders who have enabled us to pursue appropriate business opportunities in these challenging times."

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Key Business Updates

- **3,600 MW KSK MAHANADI POWER PROJECT:**

The construction activity at KSK Mahanadi (a large, single location, greenfield private power plant) continues, with significant achievements during the period under review and post period. To date, progress has been as follows:

- the first two units of 600 MW each are in operation;
- completion of the construction of the major part of the civil works and common operation infrastructure at the site;
- water pipeline infrastructure to meet the water requirements of the entire power plants is operational;
- rail connectivity to the power plant for coal transportation has been put in place; and
- switch yard and transformer yard commissioned, with the back charging of 400kV switchyard and transmission system, enabling connectivity for evacuation of power generated into the national grid.

Following stabilised generation from the current 1,200 MW, the Company's management is focusing its efforts on expediting the construction of the next 1,200 MW, while the last 1,200 MW unit is also planned to be taken up for completion. Further, it has been proposed by the project lenders that the ancillary infrastructure of KSK Water and Raigarh Champa Rail is to be merged into KSK Mahanadi with the assets and associated debt facilities taken over by KSK Mahanadi.

- **540 MW SAI WARDHA POWER LIMITED (SWPL):**

The total gross power generated during the review period was 986 GWh with an average PLF of 42%. This reflects the initial positive movement achieved against the challenging local operating environment and the fuel and open access grid constraints experienced by Sai Wardha Power.

The Company continues to use every effort to pursue the coal price reduction and the PPA achievement of the IPP phase, which will ultimately lead to the enhanced utilisation and profitability of the Sai Wardha plant.

- **135 MW VS LIGNITE POWER PRIVATE LIMITED (VSLP):**

The total gross power generated during the period was 418 GWh, with an average PLF of 70 %. The Company has been mandated by the local state for power supplies under a long term PPA with a local grid company and is currently operating under a short term PPA until March 2016. Efforts are continuing to secure necessary long term PPAs from the local grid as mandated by the Government which should be achieved during the current year.

- **86 MW SAI LILAGAR POWER LIMITED (SLPL):**

The total gross power generated during the period was 93 GWh, with an average PLF of 25%, which continues to reflect the transition from Captive Power Plant to the Independent Power Producer as well as power supplies which are aligned with the second unit operations of KSK Mahanadi.

With the new PPA arrangements in place, the Company still expects asset utilisation to reach low to mid 80 % PLF levels over the next few quarters. As a result, the Company anticipates increased generation, revenue and profitability from the SLPL plant.

- **58 MW SAI REGENCY POWER CORPORATION PRIVATE LIMITED (SRPCPL):**

The total gross power generated in the combined cycle gas fired power plant during the period was 228 GWh, with an average PLF of 90%. The plant continues to produce an exceptional operational and financial performance, which the Company expects to continue in the future.

- **43 MW SITAPURAM POWER LIMITED (SPL):**

The total gross power generated during the period was 159 GWh, with an average PLF of 84%. Fuel costs for the period under review continue to increase due to an increase in coal prices from the Singareni Collieries Company Limited, as well as from open market purchases, but the energy generated in the period has been supplied to the captive consumers in accordance with the provisions of the PPA, and the balance of power sold to local utilities.

- **10 MW SAI MAITHILI SOLAR POWER PROJECT:**

The total gross power generated during the period was 8.4 GWh, with an average PLF of 19%. The 10 MW PV solar power generation plant is located in the state of Rajasthan, operating under the Jawaharlal Nehru National Solar Mission.

- **CONSTRUCTION OF ADDITIONAL SOLAR POWER GENERATION PLANTS:**

In response to the continuing initiative of the Indian Government, the Company continues to seek to develop an additional 250 MW of solar power generation projects in the medium term wherein the first 50 MW is expected to be

commissioned over the next few months and an additional 50 MW subsequently.

As mentioned in the Audited Results announced on 21 July 2015, a number of early initiatives for the procurement of the necessary panels and associated plant equipment have been finalised with selected vendors, with active support of the banks who are ready to provide the requisite long term financing required.

WIND POWER GENERATION AND HYDRO POWER GENERATION INITIATIVE

The Company continues to pursue specific wind power generation initiatives as well as work on the hydro project portfolio and suitable collaboration opportunities.

FINANCING ARRANGEMENTS

The Company's main power plant initiative of KSK Mahanadi requires incremental debt and equity for full completion of the 3.6 GW during FY 2018. Post a recent regulatory clarification, the Project lenders are currently deliberating an appropriate implementation structure and funding plan to address both the debt and equity requirements of the project.

The Company continues to evaluate proposals for further strategic funding through potential participation by the EPC Contractor, directly or indirectly, as well as strategic equity collaboration by other potential participants.

FINANCIAL PERFORMANCE

During the period total operational capacity was 2,072 MW, which still only reflected partial operation during the period. The consolidated operating revenue was \$ 245.47 m, gross profit was \$ 52.64 m, operating profit was \$ 28.68 m, loss before tax was \$ 146.49 m, and the loss after tax was \$ 97.66 m.

The increase in revenue and gross profit was due to an increase in power generation from KSK Mahanadi and Sai Wardha. Despite an increase in operating performance, operating profit remains at the same level caused by an increase in provision for doubtful receivables of \$ 3.48 m, and due to the previous year including income from an insurance claim and liquidated damages of \$ 8.08 m.

The significant increase of finance costs from \$ 106.70 m to \$ 184.72 m was due to increase in period-on-period finance cost of \$ 60.91 m relating to Mahanadi mainly due to second unit finance cost being charged to income statement during the current period. As a result, the Company the losses before taxes has increased.

BUSINESS STRATEGY

The Company's business strategy has been to focus on consolidating the operations of the installed capacity of 2,072 MW during FY 2015-16. The combined portfolio PLF of 44% in the first half is expected to be enhanced to a portfolio PLF of 55%+ during the second half, enabling a gross generation of 9

TWh. High operation performance of KSK Mahanadi would be central to this level of generation.

The Indian power sector remains challenging due to fuel price pressures and difficulty in achieving open access supply of power to customers at competitive PPA tariffs. However, with significant long term PPAs signed at attractive tariff rates, the Company continues to expect to secure the necessary debt funding required for its major capital projects, resulting in an improved financial performance over time.

OUTLOOK

It is well acknowledged that India's unfulfilled demand for power generation is expected to continue to grow through the coming decade. As such KSK is well positioned to address these power generation opportunities through its high quality and expanding asset base and proven execution capability as shown by the two 600 MW units at KSK Mahanadi becoming fully operational.

The Board continue to believe KSK will be one of India's leading suppliers of power and the successful phased completion of the 3.6 GW KSK Mahanadi power projects being added to the Company's existing portfolio reinforces such a view. That said, the Board expects revenues and underlying profit in the short term to remain below the Board's initial expectations, but in the long term maintain that these expectations should be met.

An extract of the Interim Consolidated and Company Financial Statements for the period ended 30 September 2015 is shown below.

A full set of accounts will be available from the Company websites: www.kskplc.co.uk

PRINCIPAL RISKS AND UNCERTAINTIES

The business of the Group is subject to a variety of risks and uncertainties which, if they occur may have a materially adverse effect on the Group's business or financial condition, results or future operations. The risks & uncertainties set out in this document are not exhaustive and there may be risks of which the Board is not aware or believes to be immaterial, which may, in the future, adversely affect the Group's business. The risks and uncertainties faced by the Group and the industry as a whole have been previously provided in detail in the Annual Reports of the Company and the Interim Statements. The majority of the risks previously identified have not significantly changed. While the Company attempts to address the same, the key risks and uncertainties continued to be faced by the Group are as follows:

- Delays in government decisions or implementation of earlier government decisions along with continual inconsistencies in government policies across departments and retrospective amendments to the existing policies or introduction of new policies;
- Delays in providing necessary regulatory support and / or dispensation as may be required for timely implementation of the financing plans
- Deviation from approved government policies and abuse of market dominance position by certain contractual counter parties;

- Shortage of fuel and dependence on market based or imported fuel which are subject to market vagaries and other uncertainties;
- Economic slowdown and negative sectoral outlook with resultant impact on banking sector delays in agreed project disbursements and timely availability of credit;
- Delays in enforcement of contractual rights or legal remedies with government counter parties undertaking fuel supplies, power off take, transmission and open access amongst others;
- PPA Counter parties going contrary to pre agreed understanding and seeking benefits from the power generators that are often in conflict with shareholder obligations to further the business;
- Unusual currency depreciation that adversely effects the cost of project imports, project implementation, and repayment obligations;
- Logistics bottlenecks and other infrastructure constraints of various agencies;
- Challenges in the development of support infrastructure for the power projects including physical hindrances and delay in the issue of permits and clearances associated with land acquisitions; and
- Political and economic instability, global financial turmoil and the resultant fiscal and monetary policies as well as currency depreciation resulting in increasing cost structures
- Liquidity risk and project financing

**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 |
| ASSETS | | | | | |
| Non-current | | | | | |
| 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 | - | - |
| | | 3,702,594 | 3,833,188 | 401,008 | 403,902 |

| | | Consolidated | | Company | | |
|--------------------------------|---|----------------------------------|--------------------------|----------------------------------|--------------------------|----------------|
| Notes | | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 | |
| Current | | | | | | |
| | 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 |
| | | | 526,261 | 456,433 | 2,729 | 1,412 |
| | Total assets | | 4,228,855 | 4,289,621 | 403,737 | 405,314 |
| EQUITY AND LIABILITIES | | | | | | |
| | 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) |
| | Equity attributable to owners of the Company | | 258,858 | 349,727 | 286,468 | 289,697 |
| | Non-controlling interests | | 166,382 | 203,374 | - | - |
| | Total equity | | 425,240 | 553,101 | 286,468 | 289,697 |
| Non-current liabilities | | | | | | |
| | 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 | - | - |

| | | Consolidated | | Company | | |
|-------|----------------------------|-------------------------|------------------|-------------------------|------------------|---|
| Notes | | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 | |
| | Deferred revenue | 17 | 2,614 | 2,824 | - | - |
| | Employee benefit liability | | 855 | 711 | - | - |
| | Deferred tax liabilities | 23 | 32,111 | 33,777 | - | - |
| | | | 2,744,564 | 2,837,561 | - | - |

INTERIM CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION
as at 30 September 2015

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

| | | Consolidated | | Company | | |
|-------------------------------------|-------------------------------------|-------------------------|------------------|-------------------------|------------------|----------------|
| Notes | | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 | |
| Current liabilities | | | | | | |
| | 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 |
| Total equity and liabilities | | | 4,228,855 | 4,289,621 | 403,737 | 405,314 |

(See accompanying notes to the interim condensed Consolidated and Company financial statements)

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

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

| | | Consolidated | | Company | | |
|-------|---------|----------------------|----------------------|----------------------|----------------------|---|
| Notes | | 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) | - | - |
| Gross profit | | 52,637 | 37,664 | - | - |
| Other operating income | 20 | 348 | 8,623 | - | - |
| Distribution costs | | (4,605) | (4,682) | - | - |
| General and administrative expenses | | (19,703) | (12,981) | (464) | (474) |
| Operating profit / (loss) | | 28,677 | 28,624 | (464) | (474) |
| Finance costs | 21 | (184,721) | (106,695) | (1,697) | (1,654) |
| Finance income | 22 | 9,551 | 9,037 | - | - |
| Loss before tax | | (146,493) | (69,034) | (2,161) | (2,128) |
| Tax income / (expense) | 23 | 48,832 | 12,386 | - | - |
| Loss for the period | | (97,661) | (56,648) | (2,161) | (2,128) |
| Attributable to: | | | | | |
| Owners of the Company | | (69,758) | (44,600) | (2,161) | (2,128) |
| Non-controlling interests | | (27,903) | (12,048) | - | - |
| | | (97,661) | (56,648) | (2,161) | (2,128) |
| (Loss) / earnings per share | | | | | |
| 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)

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 |
| Loss for the period | (97,661) | (56,648) | (2,161) | (2,128) |

Items that will never be reclassified to income statement

| | | | | |
|--|-------------|-----------|----------|----------|
| Re-measurement of defined benefit liability | (55) | 111 | - | - |
| Income tax relating to re-measurement of defined benefit liability | 4 | (40) | - | - |
| | (51) | 71 | - | - |

Items that are or may be reclassified subsequently to income statement

| | | | | |
|---|-----------------|-----------------|--------------|----------------|
| 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 | - | - |
| | (29,983) | (16,182) | 1,667 | (1,811) |

Other comprehensive (expense) / income, net of tax

| | | | | |
|--|-----------------|-----------------|--------------|----------------|
| | (30,034) | (16,111) | 1,667 | (1,811) |
|--|-----------------|-----------------|--------------|----------------|

Total comprehensive (expense) / income for the period

| | | | | |
|--|------------------|-----------------|--------------|----------------|
| | (127,695) | (72,759) | (494) | (3,939) |
|--|------------------|-----------------|--------------|----------------|

Attributable to:

| | | | | |
|---------------------------|------------------|-----------------|--------------|----------------|
| Owners of the Company | (89,442) | (55,042) | (494) | (3,939) |
| Non-controlling interests | (38,253) | (17,717) | - | - |
| | (127,695) | (72,759) | (494) | (3,939) |

(See accompanying notes to the interim condensed Consolidated and Company financial statements)

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 | | | | | | | | | | | |
|---|----------------|----------------|-------------------------|--------------------------------------|---------------------|----------------------------|----------------|-------------------|----------------|-----------------------------|----------------|
| | Issued capital | Share premium | Share application money | Foreign currency translation reserve | Revaluation reserve | Capital redemption reserve | Other reserves | Retained earnings | Total | Non - controlling interests | Total equity |
| As at 1 April 2014 | 289 | 287,191 | 18,000 | (113,933) | 2,614 | 5,461 | 143,615 | 69,254 | 412,491 | 169,782 | 582,273 |
| 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 ¹ | - | - | - | - | - | - | - | 2,387 | 2,387 | (2,387) | - |
| Equity-settled share based | - | - | - | - | - | - | 58 | - | 58 | - | 58 |

| | | | | | | | | | | | |
|--|----------|----------|----------------|----------|-------------|--------------|--------------|----------------|--------------|---------------|---------------|
| payment | | | | | | | | | | | |
| Transfer of profit to capital redemption reserve | - | - | - | - | - | 5,481 | | (5,481) | - | - | - |
| Net depreciation transfer for property, plant and equipment | - | - | - | - | (47) | - | - | 47 | - | - | - |
| Transaction with owners | - | - | (1,502) | - | (47) | 5,481 | 6,920 | (3,047) | 7,805 | 55,727 | 63,532 |
| Loss for the period | - | - | - | - | - | - | - | (44,600) | (44,600) | (12,048) | (56,648) |
| Other comprehensive income | | | | | | | | | | | |
| Items that will never be reclassified to income statement | | | | | | | | | | | |
| Re-measurement of defined benefit liability | - | - | - | - | - | - | 89 | - | 89 | 22 | 111 |
| Income tax relating to re- | - | - | - | - | - | - | (40) | - | (40) | - | (40) |

measurement
of defined
benefit liability

**Items that are
or may be
reclassified
subsequently
to income
statement**

| | | | | | | | | | | | |
|--|---|---|---|----------|---|---|-----|---|----------|---------|----------|
| 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 |

| | | | | | | | | | | | |
|--|-----|---------|--------|-----------|-------|--------|---------|----------|----------|----------|----------|
| Total comprehensive (expense) / income for the period | - | - | - | (11,191) | - | - | 749 | (44,600) | (55,042) | (17,717) | (72,759) |
| Balance as at 30 September 2014 | 289 | 287,191 | 16,498 | (125,124) | 2,567 | 10,942 | 151,284 | 21,607 | 365,254 | 207,792 | 573,046 |

(See accompanying notes to the interim condensed Consolidated and Company financial statements)

¹ 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 | Revaluation reserve | Capital redemption reserve | Other reserves | Retained earnings | Total | | |
| As at 1 April 2015 | 289 | 287,191 | 16,498 | (129,431) | 1,418 | 10,855 | 147,317 | 15,590 | 349,727 | 203,374 | 553,101 |
| Refund of share application money | - | - | (2,759) | - | - | - | - | - | (2,759) | - | (2,759) |

| | | | | | | | | | | | |
|---|---|---|---|----------|---|---|-------|----------|----------|----------|-----------|
| Re-measurement of defined benefit liability | - | - | - | - | - | - | (35) | - | (35) | (20) | (55) |
| Income tax relating to re-measurement of defined benefit liability | - | - | - | - | - | - | 4 | - | 4 | - | 4 |
| Items that are or may be reclassified subsequently to income statement | | | | | | | | | | | |
| 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) |
| Total comprehensive expenses for the | - | - | - | (19,336) | - | - | (328) | (69,758) | (89,422) | (38,273) | (127,695) |

period

| | | | | | | | | | | | |
|--|------------|----------------|---------------|------------------|--------------|---------------|----------------|-----------------|----------------|----------------|----------------|
| Balance as at 30 September 2015 | 289 | 287,191 | 13,739 | (148,767) | 1,401 | 10,855 | 145,352 | (51,202) | 258,858 | 166,382 | 425,240 |
|--|------------|----------------|---------------|------------------|--------------|---------------|----------------|-----------------|----------------|----------------|----------------|

(See accompanying notes to the interim condensed Consolidated and Company financial statements)

¹ 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.

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 |
|---|-----------------------|----------------------|--------------------------------|---|----------------------|----------------------------|---------------------|
| As at 1 April 2014 | 289 | 287,191 | 18,000 | 12,580 | 10 | (14,249) | 303,821 |
| Refund of share application money | - | - | (1,502) | - | - | - | (1,502) |
| Equity-settled share based payment | - | - | - | - | 58 | - | 58 |
| Transaction with owners | - | - | (1,502) | - | 58 | - | (1,444) |
| Loss for the period | - | - | - | - | - | (2,128) | (2,128) |
| Other comprehensive income | | | | | | | |
| Foreign currency translation differences | - | - | - | (1,811) | - | - | (1,811) |
| Total comprehensive expense for the period | - | - | - | (1,811) | - | (2,128) | (3,939) |

| | | | | | | | |
|--|------------|----------------|----------------|---------------|------------|-----------------|----------------|
| Balance as at 30 September 2014 | 289 | 287,191 | 16,498 | 10,769 | 68 | (16,377) | 298,438 |
| <hr/> | | | | | | | |
| As at 1 April 2015 | 289 | 287,191 | 16,498 | 4,524 | 122 | (18,927) | 289,697 |
| Refund of share application money | - | - | (2,759) | - | - | - | (2,759) |
| Equity-settled share based payment | - | - | - | - | 24 | - | 24 |
| Transaction with owners | - | - | (2,759) | - | 24 | - | (2,735) |
| Loss for the period | - | - | - | - | - | (2,161) | (2,161) |
| Other comprehensive income | | | | | | | |
| Foreign currency translation differences | - | - | - | 1,667 | - | - | 1,667 |
| Total comprehensive income / (expense) for the period | - | - | - | 1,667 | - | (2,161) | (494) |
| Balance as at 30 September 2015 | 289 | 287,191 | 13,739 | 6,191 | 146 | (21,088) | 286,468 |

(See accompanying notes to interim condensed Consolidated and Company financial statements)

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 Septemb er 2015 | 30 Septemb er 2014 | 30 Septemb er 2015 | 30 Septemb er 2014 |
| Cash inflow / (outflow) from operating activities | | | | |
| Loss before tax | (146,493) | (69,034) | (2,161) | (2,128) |
| |) | | | |
| Adjustment | | | | |
| 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 |
| Change in | | | | |
| 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) | - | - |
| Cash generated from / (used in) operating activities | 60,725 | 41,036 | 6,960 | (774) |
| Taxes refund / (paid), net | 2,196 | (2,330) | - | - |
| Net cash provided by / (used in) operating activities | 62,921 | 38,706 | 6,960 | (774) |
| Cash inflow / (outflow) from investing activities | | | | |

| | | | | |
|---|-----------------|------------------|----------------|-----------------|
| 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 | - | - |
| Net cash used in investing activities | (20,701) | (205,150) | (180) | (34,758) |
| Cash inflow / (outflow) from financing activities | | | | |
| 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) |
| Net cash flow (used in) / provided by financing activities | (30,846) | 156,457 | (2,551) | 35,933 |
| Effect of exchange rate changes | (9,355) | (6,758) | (3,195) | 784 |
| Net increase / (decrease) in cash and cash equivalent | 2,019 | (16,745) | 1,034 | 1,185 |
| Cash and cash equivalents at the beginning of the period | 40,733 | 55,934 | 1,065 | 173 |
| Cash and cash equivalents at the end of the period (refer note 11) | 42,752 | 39,189 | 2,099 | 1,358 |

(See accompanying notes to the interim condensed Consolidated and Company financial statements)

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.

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 % to 68.37 % resulting in a 0.07 % 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

Pursuant to above, the ownership interest of the Group in KMPCL decreased by 0.35 % 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 % to 70.00 % resulting in a 11.01 % 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 |
|--------------------------------|--------------------------|-------------------|--------------------|---------------------------------|---------------------------------|------------------|
| Cost | | | | | | |
| 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) |
| As at 31 March 2015 | 431,675 | 2,207,813 | 12,839 | 9,111 | 961,023 | 3,622,461 |
| 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) |
| As at 30 September 2015 | 414,496 | 2,101,852 | 12,140 | 9,048 | 982,018 | 3,519,554 |
| Depreciation | | | | | | |
| 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) |
| As at 31 March 2015 | 22,337 | 134,173 | 2,254 | 6,783 | - | 165,547 |
| 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) |
| As at 30 September 2015 | 27,239 | 169,517 | 2,458 | 6,872 | - | 206,086 |
| Net book value | | | | | | |
| As at 30 September 2015 | 387,257 | 1,932,335 | 9,682 | 2,176 | 982,018 | 3,313,468 |
| As at 31 March 2015 | 409,338 | 2,073,640 | 10,585 | 2,328 | 961,023 | 3,456,914 |

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).

6. Intangible assets and goodwill

| | Mining license | Goodwill | Total |
|--------------------------------|-----------------------|-----------------|---------------|
| Cost | | | |
| As at 1 April 2014 | 2,634 | 18,026 | 20,660 |
| Disposals | - | (7,015) | (7,015) |
| Exchange difference | (118) | (810) | (928) |
| As at 31 March 2015 | 2,516 | 10,201 | 12,717 |
| As at 1 April 2015 | 2,516 | 10,201 | 12,717 |
| Disposals | - | - | - |
| Exchange difference | (137) | (557) | (694) |
| As at 30 September 2015 | 2,379 | 9,644 | 12,023 |
| Amortisation | | | |
| As at 1 April 2014 | 415 | - | 415 |
| Additions | 136 | - | 136 |
| Exchange difference | (22) | - | (22) |
| As at 31 March 2015 | 529 | - | 529 |
| As at 1 April 2015 | 529 | - | 529 |
| Additions | 65 | - | 65 |

| | Mining license | Goodwill | Total |
|--------------------------------|---------------------------|-----------------|---------------|
| Exchange difference | (30) | - | (30) |
| As at 30 September 2015 | 564 | - | 564 |
| Net book value | | | |
| As at 30 September 2015 | 1,815 | 9,644 | 11,459 |
| As at 31 March 2015 | 1,987 | 10,201 | 12,188 |

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 |
| | 9,644 | 10,201 |

Total

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.

7. Investments and other financial assets

| | Consolidated | | Company | |
|---|----------------------------------|--------------------------|----------------------------------|--------------------------|
| | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 |
| Current | | | | |
| 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 |

| | Consolidated | | Company | |
|---|-------------------------|------------------|-------------------------|------------------|
| | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 |
| Loans to and receivables from Joint Venture partner | 23 | - | - | - |
| | 50,117 | 31,313 | 23 | 27 |
| Non-current | | | | |
| 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 |
| | 110,589 | 130,491 | 401,008 | 403,902 |
| Total | 160,706 | 161,804 | 401,031 | 403,929 |

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 |
| Current | | | | |
| 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 | - | - |
| | 43,858 | 40,459 | 607 | 320 |
| Non-current | | | | |
| 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 | - | - |
| | 94,905 | 102,646 | - | - |
| | 138,763 | 143,105 | 607 | 320 |
| Total | | | | |

9. Trade and other receivables

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

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

| 30 | 31 March |
|----|----------|
|----|----------|

| | September 2015 | 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) |
| Closing balance | 7,033 | 5,112 |

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 |
| Total | 33,955 | 32,453 |

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 | - | - |
| Total | 201,070 | 197,996 | 2,099 | 1,065 |

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 | - | - |
| Total | 201,070 | 194,091 | 2,099 | 1,358 |
| Less: Restricted cash ¹ | (158,318) | (154,902) | - | - |
| Cash and cash equivalent | 42,752 | 39,189 | 2,099 | 1,358 |

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

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 | - | - |
| Total | | 3,258,129 | 3,244,549 | 115,802 | 114,245 |

The interest-bearing loans and borrowings mature as follows:

| | Consolidated | | Company | |
|--|-------------------------|------------------|-------------------------|------------------|
| | 30 September 2015 | 31 March 2015 | 30 September 2015 | 31 March 2015 |
| Current liabilities | | | | |
| Amounts falling due within one year | 620,900 | 521,953 | 115,802 | 114,245 |
| Non-current liabilities | | | | |
| 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 | - | - |
| Total | 3,258,129 | 3,244,549 | 115,802 | 114,245 |

Current liabilities include an amount of US \$ 46,798 in KSK Mahanadi, which is scheduled for repayment within 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 |
|------------------------------------|-------------------------|------------------|
| Current | | |
| Option premium payable | 5,529 | 5,506 |
| Forward exchange forward contracts | - | 453 |
| | 5,529 | 5,959 |
| Non-Current | | |
| Option premium payable | 19,566 | 22,099 |
| Interest rate swaps | 5,648 | 4,763 |
| | 25,214 | 26,862 |
| Total | 30,743 | 32,821 |

15. Trade and other payables

| | Consolidated | Company |
|--|--------------|---------|
| | | |

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

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

16. Provisions

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

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 |
|---|-------------------------|------------------|
| Opening balance | 3,134 | 5,714 |
| Transferred to the revenue | (62) | (2,269) |
| Transferred to the other operating income | (59) | (111) |
| Exchange difference | (166) | (200) |
| Closing balance | 2,847 | 3,134 |
| Current | 233 | 310 |
| Non-current | 2,614 | 2,824 |
| | 2,847 | 3,134 |

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.

| Period ended 30 September 2015 | Project development activities | Power generating activities | Reconciling / Elimination activities | Consolidated |
|--------------------------------|--------------------------------------|-----------------------------------|---|--------------|
| Revenue | | | | |

| | | | | |
|---------------------------------------|---------------------------------------|------------------------------------|---|---------------------|
| External customers | 17 | 245,448 | - | 245,465 |
| Inter-segment | 1,738 | - | (1,738) | - |
| Total revenue | 1,755 | 245,448 | (1,738) | 245,465 |
| Segment operating results | 1,016 | 27,916 | 371 | 29,303 |
| Unallocated operating expenses, net | | | | (626) |
| Finance costs | | | | (184,721) |
| Finance income | | | | 9,551 |
| Loss before tax | | | | (146,493) |
| Tax income | | | | 48,832 |
| Loss after tax | | | | (97,661) |
| Segment assets | 10,396 | 3,893,883 | (4,474) | 3,899,805 |
| Unallocated assets | | | | 329,050 |
| Total assets | | | | 4,228,855 |
| Segment liabilities | 8,438 | 345,490 | (4,474) | 349,454 |
| Unallocated liabilities | | | | 3,454,161 |
| Total liabilities | | | | 3,803,615 |
| Other segment information | | | | |
| Depreciation and amortisation | 43 | 51,276 | 40 | 51,359 |
| Capital expenditure | 3 | 89,891 | 29 | 89,923 |
| Period ended 30 September 2014 | Project development activities | Power generating activities | Reconciling / Elimination activities | Consolidated |
| Revenue | | | | |

| | | | | |
|-------------------------------------|--------------|----------------|----------------|------------------|
| External customers | 52 | 175,803 | - | 175,855 |
| Inter-segment | 4,122 | - | (4,122) | - |
| Total revenue | 4,174 | 175,803 | (4,122) | 175,855 |
| Segment operating results | 3,253 | 26,681 | (540) | 29,394 |
| Unallocated operating expenses, net | | | | (770) |
| Finance costs | | | | (106,695) |
| Finance income | | | | 9,037 |
| Loss before tax | | | | (69,034) |
| Tax income | | | | 12,386 |
| Loss after tax | | | | (56,648) |
| Segment assets | 11,720 | 3,894,662 | (2,076) | 3,904,306 |
| Unallocated assets | | | | 230,734 |
| Total assets | | | | 4,135,040 |
| Segment liabilities | 3,747 | 287,361 | (2,076) | 289,032 |
| Unallocated liabilities | | | | 3,272,962 |
| Total liabilities | | | | 3,561,994 |
| Other segment information | | | | |
| Depreciation and amortisation | 69 | 29,606 | 48 | 29,723 |
| Capital expenditure | 16 | 213,032 | 44 | 213,092 |

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 \$ 144,468 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 |
|---|----------------------------------|----------------------------------|
| Included in cost of revenue: | | |
| Fuel costs | 122,702 | 95,227 |
| Depreciation | 44,450 | 25,201 |
| Amortisation of intangible asset | 65 | 69 |
| Included in general and administrative expenses: | | |
| 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 ¹ | - | 8,076 |
| Deferred revenue amortisation | 59 | 57 |
| Other operating income | 151 | 361 |
| Total | 348 | 8,623 |

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

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 ¹ | 147,261 | 73,738 | 600 | 615 |
| Other finance costs | 5,579 | 13,182 | 786 | 798 |
| Impairment of financial assets ² | 26 33 | | - | - |
| Net loss on financial instrument at fair value through profit or loss ³ | 1,048 | 112 | - | - |
| Foreign exchange loss, net | 26,792 | 18,730 | 311 | 241 |
| Unwinding of discounts | 1,015 900 | | - | - |
| Total | 184,721 | 106,695 | 1,697 | 1,654 |

¹Borrowing cost capitalised during the year amounting to US \$ 65,935 (30 September 2014: US \$ 117,520).

² Impairment of financial assets relates to available-for-sale financial asset of US \$ 26 (30 September 2014: US \$ 33).

³Net 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 |
| Total | 9,551 | 9,037 |

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 |
| Tax income reported in the income statement | 48,832 | 12,386 |

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 |
| | 290,651 | 248,623 |
| <i>Deferred income tax liabilities</i> | | |
| Property, plant and equipment | 151,632 | 151,778 |
| Others | 1,510 | 2,518 |
| | 153,142 | 154,296 |
| Deferred income tax asset, net | 137,509 | 94,327 |

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) |
| Closing balance | 137,509 | 14,665 |

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.

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 operations | Parent / GUP | KM P | Joint operations | Parent / GUP | KM P | Subsidiaries | Parent / GUP | KM P | Subsidiaries | Parent / GUP | KM P |
| Transactions^{1,2} | | | | | | | | | | | | |
| 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 | - | 425 | - | - | - | - | 14 | - | - | 38,649 | - | - |

| | | | | | | | | | | | | |
|--|--------------------------|-------|-----|--------------------------|-------|-----|--------------------------|-------|-----|--------------------------|-------|-----|
| taken | | | | | | | | | | | | |
| Refund of share application money | - | 2,759 | - | - | 1,502 | - | - | 2,759 | - | - | 1,502 | - |
| Equity-settled share based payment | - | - | 24 | - | - | 58 | - | - | 24 | - | - | 58 |
| Managerial remuneration ³ | - | - | 328 | - | - | 366 | - | - | 161 | - | - | 188 |
| | 30 September 2015 | | | 30 September 2014 | | | 30 September 2015 | | | 30 September 2014 | | |
| Balances <small>1,2</small> | | | | | | | | | | | | |
| Interest receivable | 3,896 | - | - | 3,829 | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | 9 | - | - | - | - | - | - | - | - |
| Loans and intercorporate deposits receivable | 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 | - | - | 117 | - | - | 109 | - | - | 79 | - | - | 87 |

payable³

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.

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 |
| Non- current financial assets | | | | |
| 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 |
| Total non-current | 113,142 | 113,142 | 133,336 | 133,336 |
| Current financial assets | | | | |

| | Carrying amount | Fair value | Carrying amount | Fair value |
|---|--------------------------|--------------------------|------------------------|----------------------|
| | 30 September 2015 | 30 September 2015 | 31 March 2015 | 31 March 2015 |
| 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 |
| Total current | 448,448 | 448,448 | 383,521 | 383,521 |
| Total | 561,590 | 561,590 | 516,857 | 516,857 |
| Non- current financial liabilities | | | | |
| 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 |
| Total non-current | 2,705,865 | 2,705,865 | 2,797,039 | 2,797,039 |
| Current financial liabilities | | | | |
| 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 |
| Total current | 1,056,197 | 1,056,197 | 897,502 | 897,502 |
| Total | 3,762,062 | 3,762,062 | 3,694,541 | 3,694,541 |

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 |
| Non-current financial assets | | | | |
| Loans and receivables to subsidiaries | 173,387 | 173,387 | 171,676 | 171,676 |
| Loans and receivables | 780 | 780 | 5,100 | 5,100 |
| Total non-current | 174,167 | 174,167 | 176,776 | 176,776 |
| Current financial assets | | | | |
| Loans and receivables | 23 | 23 | 27 | 27 |
| Cash and short-term deposits | 2,099 | 2,099 | 1,065 | 1,065 |
| Total current | 2,122 | 2,122 | 1,092 | 1,092 |
| Total | 176,289 | 176,289 | 177,868 | 177,868 |
| Current financial liabilities | | | | |
| Trade and other payables | 1,467 | 1,467 | 1,372 | 1,372 |
| Loans and borrowings | 115,802 | 115,802 | 114,245 | 114,245 |
| Total current | 117,269 | 117,269 | 115,617 | 115,617 |

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 |
|--|---------|---------|---------|--------|
| Financial assets measured at fair value | | | | |
| 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 |
| Total | 16,153 | 48,194 | 17,649 | 81,996 |

Financial liabilities measured at fair value

| | | | | |
|------------------------|----------|---------------|----------|---------------|
| Interest rate swaps | - | 5,648 | - | 5,648 |
| Option premium payable | - | 25,095 | - | 25,095 |
| Total | - | 30,743 | - | 30,743 |

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.

Reconciliation of Level 3 fair value measurements of financial assets:

| 30 September 2015 | Available-for-sale | Total |
|--|---------------------------|---------------|
| | Unquoted | |
| | Equities | |
| 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 | - | - |
| Closing balance | 17,649 | 17,649 |

| 31 March 2015 | Level 1 | Level 2 | Level 3 | Total |
|--|----------------|----------------|----------------|--------------|
| Financial assets measured at fair value | | | | |
| 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 |
| Total | 3,100 | 49,702 | 18,644 | 71,446 |
| Financial liabilities measured at fair value | | | | |
| Interest rate swaps | - | 4,763 | - | 4,763 |
| Option premium payable | - | 27,605 | - | 27,605 |
| Foreign exchange forward contract | - | 453 | - | 453 |
| Total | - | 32,821 | - | 32,821 |

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:

| 31 March 2015 | Available-for-sale | Total |
|--|---------------------------|---------------|
| | Unquoted | |
| | Equities | |
| 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 | - | - |
| Closing balance | 18,644 | 18,644 |

Ends

This information is provided by RNS
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