

Greenko Dutch B.V. (Restricted Group)
Issuer of US\$940 Million 3.85% Senior Notes due 2026

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B S R & Associates LLP

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Independent Practitioner's Review Report

To the Board of Directors of Greenko Dutch B.V.

We have reviewed the accompanying condensed combined interim financial statements of Restricted Group which consists of the Greenko Dutch B.V. ("the Company"), a wholly owned subsidiary of Greenko Energy Holdings ("the Parent") and certain entities under common control of the Parent, as listed in note 3 to the condensed combined interim financial statements (collectively known as "the Restricted Group"), which comprise the condensed combined statement of financial position as at 30 September 2021, the condensed combined statement of profit or loss and other comprehensive income, the condensed combined statement of changes in net parent investment and the condensed combined statement of cash flows for the six months period then ended, and selected explanatory notes, as set out on pages 3 to 22. The condensed combined interim financial statements have been prepared by the Management of the Company in accordance with the basis of preparation described in note 3.

Management's responsibility for the condensed combined interim financial statements

Management is responsible for the preparation and presentation of these condensed combined interim financial statements in accordance with the basis of preparation set out in note 3. These condensed combined interim financial statements contain an aggregation of financial information relating to Restricted Group and have been prepared from the books and records maintained by Restricted Group entities. Management's responsibility includes determining the acceptability of the basis of preparation in the circumstances and for such internal control as management determines is necessary to enable the preparation of condensed combined interim financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on the accompanying condensed combined interim financial statements based on our review. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), "*Engagements to Review Historical Financial Statements*". ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed combined interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these accompanying condensed combined interim financial statements as at and for the six months period ended 30 September 2021, are not prepared, in all material respects, in accordance with the basis of preparation described in note 3.



Emphasis of Matter

- a) We draw attention to Note 2 and 3 to the condensed combined interim financial statements, which describes that the Restricted Group has not formed a separate legal group of entities, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's condensed combined interim financial statements may not necessarily be indicative of the financial performance and financial position of the Restricted Group that would have occurred if it had operated as a separate group of standalone entities during the periods presented, nor may they be indicative of the results of operations of the Restricted Group for any future period. The condensed combined interim financial statements have been prepared for the purpose of complying with financial reporting requirement under the indenture governing the Senior Notes as described in note 2 to the condensed combined interim financial statements. As a result, the condensed combined interim financial statements may not be suitable for another purpose.

Our conclusion is not qualified in respect of this matter.

- b) We draw attention to Note 16 to the condensed combined interim financial statements which describes in detail the ongoing litigation with Southern Power Distribution Company of Andhra Pradesh ('APDISCOM') by certain Restricted Group I entities towards outstanding dues against supply of power. On 12 July 2019, the APDISCOM had issued notices to all wind and solar companies having existing Power Purchase Agreements ("PPAs") with it for reduction of PPA tariffs to Rs. 2.44 per unit. APDISCOM also filed a petition before the Andhra Pradesh Electricity Regulatory Commission ("APERC") for revision of certain normative parameters used in determination of tariff. The above has been a subject matter of multiple petitions by the certain Restricted Group I entities to Andhra Pradesh High Court (AP HC) and Supreme Court. The AP HC has set aside the said notices of APDISCOM and as an interim measure, APDISCOM has been instructed to honour the pending and future bills at an interim rate of Rs. 2.44 per unit until the matter is resolved by APERC on petition filed for revision of normative parameters.

Based on various other favorable judgements and based on legal advice, the Management believes that the final order would be in its favour. Accordingly, the Restricted Group I continues to recognise revenue from supply of power to APDISCOM at the original rate as per the PPAs and has determined that the related trade receivables are currently fully recoverable. Pending resolution of the matter, no adjustments have been made in the condensed combined interim financial statements.

Our conclusion is not qualified in respect of this matter.

for B S R & Associates LLP

Chartered Accountants

Firm Registration No.: 116231W/ W-100024



Sriram Mahalingam

Partner

Membership No.: 049642

UDIN: 21049642AAAAFI9871

Place: Hyderabad

Date: 17 December 2021

Greenko Dutch B.V. (Restricted Group)*(All amounts in US Dollar millions unless otherwise stated)***Condensed combined statement of financial position**

	Notes	As at 30 September 2021	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	6	1,053.52	1,043.38
Intangible assets and goodwill	7	192.61	181.27
Bank deposits	10	0.56	2.31
Other receivables		2.57	2.57
Derivative financial assets		109.48	22.62
		1,358.74	1,252.15
Current assets			
Inventories		4.41	3.73
Trade receivables	8	225.59	172.96
Other receivables		11.07	14.33
Receivables from Unrestricted Group	14	-	9.61
Bank deposits	10	3.60	9.71
Taxation receivable		1.84	2.93
Cash and cash equivalents	9	19.80	26.93
		266.31	240.20
Total assets		1,625.05	1,492.35
Equity and liabilities			
Equity			
Net parent investment		377.90	350.60
Non-controlling interests		1.93	1.84
Total equity		379.83	352.44
Liabilities			
Non-current liabilities			
Retirement benefit obligations		2.71	2.28
Borrowings	11	942.18	906.24
Deferred tax liabilities		125.58	114.14
Other financial liabilities		74.50	17.91
Lease liabilities		5.71	1.28
		1,150.68	1,041.85
Current liabilities			
Trade and other payables		22.74	27.32
Borrowings	11	41.67	65.61
Taxation payable		3.29	0.17
Other financial liabilities		22.54	4.82
Borrowings from Unrestricted Group	14	3.88	-
Lease liabilities		0.42	0.14
		94.54	98.06
Total liabilities		1,245.22	1,139.91
Total equity and liabilities		1,625.05	1,492.35

The explanatory notes are an integral part of these condensed combined interim financial statements.

Greenko Dutch B.V. (Restricted Group)*(All amounts in US Dollar millions unless otherwise stated)***Condensed combined statement of profit or loss and other comprehensive income**

	Notes	Six months ended 30 September 2021	Six months ended 30 September 2020
Revenue	12	108.13	103.66
Other operating income		0.29	0.73
Power generation expenses		(7.23)	(7.61)
Employee benefits expense		(5.89)	(3.58)
Other operating expenses		(5.61)	(3.58)
Impairment loss on trade receivables		(7.88)	(1.39)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		81.81	88.23
Depreciation and amortisation		(25.42)	(24.27)
Operating profit		56.39	63.96
Finance income		5.46	4.12
Finance costs		(25.63)	(32.91)
Profit before tax		36.22	35.17
Income tax expense		(10.01)	(12.21)
Profit for the period		26.21	22.96
Attributable to:			
Equity holders of the Restricted Group		26.12	22.83
Non-controlling interests		0.09	0.13
		26.21	22.96
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(12.95)	27.10
Total other comprehensive income		(12.95)	27.10
Total comprehensive income		13.26	50.06
Total comprehensive income attributable to:			
Equity holders of the Restricted Group		13.17	49.93
Non-controlling interests		0.09	0.13
		13.26	50.06

The explanatory notes are an integral part of these condensed combined interim financial statements.

Greenko Dutch B.V. (Restricted Group)*(All amounts in US Dollar millions unless otherwise stated)***Condensed combined statement of changes in net parent investment**

	Six months ended 30 September 2021	Six months ended 30 September 2020
Opening	350.60	394.10
Profit for the period	26.12	22.83
Transactions with Unrestricted Group (Note 15)	-	(1.68)
Contribution of net assets from Parent (Note 3(c))*	14.13	-
Exchange differences on translating foreign operations	(12.95)	27.10
Closing	377.90	442.35

* Represents net assets contribution from Parent including fair value adjustments as explained in note 3(c) related to entities added to Restricted Group.

The explanatory notes are an integral part of these condensed combined interim financial statements.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Condensed combined statement of cash flows

	Six months ended 30 September 2021	Six months ended 30 September 2020
A. Cash flows from operating activities		
Profit before tax	36.22	35.17
<i>Adjustments for</i>		
Depreciation and amortization	25.42	24.27
Finance income	(5.46)	(4.12)
Finance costs	25.63	32.91
Impairment loss on trade receivables	7.88	1.39
<i>Changes in working capital</i>		
Inventories	(0.62)	(0.31)
Trade and other receivables	(53.81)	(39.15)
Trade and other payables	1.62	(1.00)
<i>Cash generated from operations</i>	36.88	49.16
Taxes paid, net	(0.53)	(1.22)
Net cash from operating activities	36.35	47.94
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital expenditure	(6.24)	(1.07)
Acquisition of business, net of cash and cash equivalents acquired (refer note 15)	-	(20.40)
Bank deposits	10.90	17.89
Interest received	0.51	0.73
Net cash (used in)/ from investing activities	5.17	(2.85)
C. Cash flows from financing activities		
Proceeds from borrowings	67.64	-
Repayment of borrowings	(56.12)	-
(Repayment of)/Proceeds from borrowings to the Unrestricted Group, net	0.38	(0.98)
Loans to entities designated as restricted entities (refer note 3(c))	(28.50)	-
Payment of lease liabilities	(0.23)	(0.02)
Premium paid on derivative contracts	(8.27)	(12.47)
Interest paid	(23.80)	(30.12)
Net cash used in financing activities	(48.90)	(43.59)
Net increase/(decrease) in cash and cash equivalents	(7.38)	1.50
Cash and cash equivalents at the beginning of the period	26.93	17.15
Cash and cash equivalents related to entities added to Restricted Group*	0.39	-
Exchange loss on cash and cash equivalents	(0.14)	(0.03)
Cash and cash equivalents at the end of the period	19.80	18.62

* Refer note 3(c) for non-cash investing and financing activities relating to contribution by Parent by way of addition of entities to Restricted Group.

Refer note 11.5 for reconciliation of liabilities arising from financing activities.

The explanatory notes are an integral part of these condensed combined interim financial statements.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

1. General information

Greenko Dutch B.V. (“Greenko Dutch” or “the Company”) was incorporated on 19 June 2014 as a private company with limited liability and has its registered office at Javastraat 12, 3016 CE Rotterdam, Netherlands. Greenko Dutch is a wholly owned subsidiary of Greenko Energy Holdings. Greenko Dutch is duly registered as Foreign Portfolio Investor Entity with the Securities Exchange Board of India for investing in debt instruments in India.

Greenko Energy Holdings, Mauritius (“Greenko” or “the Parent”) is the Ultimate Holding Company of Greenko Dutch. The Parent together with its subsidiaries (“Greenko Group”) is in the business of owning and operating clean energy facilities in India. All the energy generated from these plants is sold to state utilities and other customers including captive consumers in India through power purchase agreements (“PPA”). Greenko Group is also a part of the Clean Development Mechanism process and Renewable Energy Certificates (“REC”).

2. Purpose of the condensed combined interim financial statements

The Company has issued Senior Notes to institutional investors and is listed on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Dutch B.V. has invested the issue proceeds, net of issue expenses in Non-Convertible Debentures (“NCDs”) of certain operating Indian subsidiaries of the Parent to replace their existing Rupee debt. These Indian subsidiaries in which Greenko Dutch has invested the issue proceeds are individually called as a ‘restricted entity’ and collectively as ‘the restricted entities’. These restricted entities are under common control of the Parent and primarily comprise the hydro, wind and solar portfolio. Further, Non-convertible debentures issued to Greenko Dutch by Indian subsidiaries are secured by pledge of assets of these Indian subsidiaries through an Indian trustee. Greenko Dutch and restricted entities (as listed in Note 3) have been considered as a group for the purpose of financial reporting and is referred hereinafter as “Greenko Dutch B.V.” or “the Restricted Group”.

The condensed combined interim financial statements have been prepared for the purpose of complying with financial reporting requirements under the indenture governing the Senior Notes.

3. Basis of preparation of the condensed combined interim financial statements

The condensed combined interim financial statements are for the six months ended 30 September 2021 and are presented in US Dollar millions. The condensed combined interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” on a commonly used carve-out principles to present fairly the combined financial position and performance of the Restricted Group and should be read in conjunction with the combined financial statements of the Restricted Group for the year ended 31 March 2021.

The financial information for the period from 1 April 2021 to 30 September 2021 and 1 April 2020 to 30 September 2020 have been reviewed. The comparatives as at 31 March 2021 are audited and have been extracted from the audited combined financial statements for the year ended 31 March 2021.

The condensed combined interim financial statements have been prepared on a basis that combines statements of profit or loss and other comprehensive income, financial position, statement of changes in net parent investment and cash flows of the legal entities comprising Greenko Dutch and Restricted entities.

Greenko Dutch B.V. (Restricted Group)*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed combined interim financial statements****a) Basis of preparation**

The Restricted entities and Greenko Dutch are under the common control of the Parent. The following are the Restricted entities forming part of Restricted Group along with the Company:

	30 September 2021	31 March 2021
AMR Power Private Limited	100%	100%
Greenko Anubhav Hydel Power Private Limited	100%	100%
Greenko Astha Projects (India) Private Limited	100%	100%
Greenko AT Hydro Power Private Limited	100%	100%
Greenko Cimaron Constructions Private Limited	100%	100%
Fortune Five Hydel Projects Private Limited	100%	100%
Hemavathy Power & Light Private Limited	100%	100%
Greenko Him Kailash Hydro Power Private Limited	100%	100%
Jasper Energy Private Limited	100%	100%
Greenko Budhil Hydro Power Private Limited	100%	100%
Mangalore Energies Private Limited	99.13%	99.13%
Matrix Power (Wind) Private Limited	74%	74%
Greenko Sumez Hydro Energies Private Limited	100%	100%
Ratnagiri Wind Power Projects Private Limited	100%	100%
Greenko Rayala Wind Power Private Limited	100%	100%
Rithwik Energy Generation Private Limited	100%	100%
Sai Spurthi Power Private Limited	100%	100%
Greenko Sri Sai Krishna Hydro Energies Private Limited	100%	100%
Greenko Tarela Power Private Limited	100%	100%
Greenko Tejassarnika Hydro Energies Private Limited	100%	100%
Jed Solar Park Private Limited	100%	100%
Poly Solar Park Private Limited	100%	100%
RT Renewable Energy India Private Limited	100%	100%
Sandla Wind Projects Private Limited	100%	100%
SEI Adhavan Power Private Limited	100%	100%
SEI Aditi Power Private Limited	100%	100%
SEI Adityashakti Private Limited	100%	100%
SEI Bheem Private Limited	100%	100%
SEI Diamond Private Limited	100%	100%
SEI Kathiravan Power Private Limited	100%	100%
SEI Phoebus Private Limited	100%	100%
SEI Sriram Power Private Limited	100%	100%
SEI Suryashakti Power Private Limited	100%	100%
SEI Venus Private Limited	100%	100%
Sunborne Energy Andhra Private Limited	100%	100%
Technology House (India) Private Limited	100%	100%
Gangdari Hydro Power Private Limited	100%	100%
SEI Arushi Private Limited#	100%	-
Greenko Solar power (Dharmavaram) Limited#	100%	-

Designated as restricted entities during the period (Refer not 3(c)).

The condensed combined interim financial statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone group of entities during the period presented nor of the Restricted Group's future performance. The condensed combined interim financial statements include the operations of entities in the Restricted Group, as if they had been managed together for the periods presented.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

The condensed combined interim financial statements have been prepared in accordance with International Accounting Standards Board (“IFRS”) on a carve-out basis. As IFRS does not provide guidance for the preparation of combined financial statements, certain accounting conventions commonly used for the preparation of historical financial information have been applied in preparing the combined financial statements. The application of the specific carve-out conventions impacting the presentation of these financial statements, the areas involving a high degree of judgment or where estimates and assumptions are significant to the combined financial statements have been described in the audited combined financial statements for the year ended 31 March 2021 and has followed the same in preparation of these condensed combined interim financial statements.

Transactions that have taken place with the other entities of Greenko Group (“Unrestricted Group”) have been disclosed in accordance of IAS 24, Related Party Disclosures.

The condensed combined interim financial statements have been prepared on a going concern basis under the historical cost convention. All intercompany transactions and balances within the Restricted Group have been eliminated in full. Transactions between the Restricted Group and the Unrestricted Group that are eliminated in the condensed consolidated interim financial statements of Greenko Group have been reinstated in these condensed combined interim financial statements.

The Restricted Group entities operate on its own and there are no material common expenses incurred by the Parent which require allocation to this Restricted Group.

As these condensed combined interim financial statements have been prepared on a carve-out basis, it is not meaningful to show share capital or provide an analysis of reserves. Net parent investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Restricted Group is held by the Parent. Earnings Per Share have not been presented in these condensed combined interim financial statements, as Greenko Dutch did not meet the applicability criteria as specified under IAS 33 – Earnings Per Share.

b) Business combinations by a restricted group entity

In addition, for preparation of these condensed combined interim financial statements, business combinations by a restricted entity as the acquirer have been accounted for using the principles of IFRS 3 Business combination except transfer of shares of a restricted entity resulting in change of control from an unrestricted entity to a restricted entity as it does not alter the composition of the Restricted Group and common control transactions. The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Restricted Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Restricted Group’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. Acquisition related costs are expensed as incurred.

When the consideration transferred by the Restricted Group in the business combination included assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination.

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

The differences, if any, between the consideration and the net assets of the entity acquired under common control are presented in net parent investment.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

c) Top Down Approach

The condensed combined interim financial statements have been prepared on carve out basis from its Parent's consolidated financial statements using the historical results of operations, assets and liabilities attributable to the restricted group. As part of carve-out principles, the Company segregates those transactions including business combinations within the Parent's consolidated financial statements that are related to carve-out (Restricted Group) entities. This is referred as top-down basis of preparation of carve-out financial statements. The fair value adjustments of assets and liabilities arising on account of business combinations in the Parent's consolidated financial statements are attributed to carve-out entities are allocated based on carrying value of these assets and liabilities.

Management believes that this presentation fairly reflects the financial performance of the Restricted Group as would be seen by the users of the combined financial statements. The resultant fair value adjustments to these condensed combined interim financial statements are presented in "Net Parent Investment". However, these adjustments do not have any impact on combined statement of cash flows.

Period ended 30 September 2021:

The Parent has designated SEI Arushi Private Limited ("Arushi") and Greenko Solar power (Dharmavaram) Limited ("Dharmavaram") as restricted entities and added to Restricted Group from 8 April 2021. An adjustment has been made in the condensed combined interim financial statements to reflect the effect of this contribution of net assets by the Parent using the Top Down Approach. The fair value adjustments recorded by Parent in accordance with IFRS 3 "Business Combinations" have been allocated to Arushi and Dharmavaram and accordingly presented in these condensed combined interim financial statements as if it is the Restricted Group business.

Details of net assets contributed by Parent to Restricted Group are as follows:

	Amount
Property, plant and equipment	39.17
Intangible assets	16.07
Deferred tax liabilities	(7.44)
Borrowings from Unrestricted Group	(13.31)
Borrowings from Restricted Group*	(28.50)
Net working capital	4.60
Bank deposits	3.15
Cash and cash equivalents	0.39
Contribution of business from Parent	14.13

* Arushi and Dharmavaram have discharged the debts from external lenders on the date of designation of these entities as restricted entities with this financial support from Restricted Group.

4. Significant accounting policies

The condensed combined interim financial statements have been prepared in accordance with the accounting policies adopted in the Restricted Group's last audited combined financial statements for the year ended 31 March 2021. The presentation of the condensed combined interim financial statements is in consistent with the audited combined financial statements.

5. Use of estimates and judgements

The preparation of interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed combined interim financial statements the significant judgments made by management in applying the Restricted Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited combined financial statements as at and for the year ended 31 March 2021.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements
6. Property, plant and equipment

	Land	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Right of use assets	Capital work-in-progress	Total
Cost								
At 1 April 2020	36.00	145.89	1,012.73	1.89	0.90	1.58	7.32	1,206.31
Additions	1.33	1.83	1.15	0.12	0.52	1.27	-	6.22
Acquisitions under common control (Note 15)	0.01	11.88	3.11	0.04	0.00	0.09	0.00	15.13
Disposals/Capitalisation	(0.13)	-	(0.11)	-	(0.19)	(0.05)	(2.11)	(2.59)
Exchange differences	0.94	4.12	26.14	0.05	0.03	0.05	0.17	31.50
At 31 March 2021	38.15	163.72	1,043.02	2.10	1.26	2.94	5.38	1,256.57
Additions	-	0.01	0.46	0.13	0.16	5.79	-	6.55
Addition of entities to Restricted Group (Note 3(c))	2.37	1.56	37.34	0.14	0.02	-	0.39	41.82
Disposals/Capitalisation	-	-	(0.86)	-	-	(0.62)	(0.57)	(2.05)
Exchange differences	(0.41)	(1.69)	(11.06)	(0.02)	(0.01)	(0.05)	(0.06)	(13.30)
At 30 September 2021	40.11	163.60	1,068.90	2.35	1.43	8.06	5.14	1,289.59
Accumulated depreciation								
At 1 April 2020	-	17.21	144.38	1.09	0.54	0.07	-	163.29
Acquisitions under common control (Note 15)	-	1.16	0.31	0.03	0.00	0.00	-	1.50
Charge for the year	-	4.73	38.27	0.29	0.14	0.34	-	43.77
Disposals	-	-	(0.00)	-	(0.12)	-	-	(0.12)
Exchange differences	-	0.52	4.19	0.03	0.01	0.00	-	4.75
At 31 March 2021	-	23.62	187.15	1.44	0.57	0.41	-	213.19
Addition of entities to Restricted Group (Note 3(c))	-	0.07	2.51	0.06	0.01	-	-	2.65
Charge for the period	-	2.43	19.84	0.17	0.05	0.22	-	22.71
Disposals	-	-	(0.00)	-	-	(0.15)	-	(0.15)
Exchange differences	-	(0.25)	(2.04)	(0.02)	(0.01)	(0.01)	-	(2.33)
At 30 September 2021	-	25.87	207.46	1.65	0.62	0.47	-	236.07
Net book values								
At 30 September 2021	40.11	137.73	861.44	0.70	0.81	7.59	5.14	1,053.52
At 31 March 2021	38.15	140.10	855.87	0.66	0.69	2.53	5.38	1,043.38

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements**7. Intangible assets**

	Licenses	Electricity PPAs	Development fee	Goodwill	Total
Cost					
At 1 April 2020	34.86	60.43	0.67	117.47	213.43
Acquisitions under common control (Note 15)	1.29	-	-	3.35	4.64
Exchange differences	0.93	1.55	0.02	3.12	5.62
At 31 March 2021	37.08	61.98	0.69	123.94	223.69
Addition of entities to Restricted Group (Note 3(c))	-	17.75	-	-	17.75
Exchange differences	(0.38)	(0.82)	(0.01)	(1.27)	(2.48)
At 30 September 2021	36.70	78.91	0.68	122.67	238.96
Accumulated amortisation and impairment					
At 1 April 2020	5.95	8.56	0.05	19.86	34.42
Acquisitions under common control (Note 15)	0.13	-	-	-	0.13
Amortisation for the year	2.15	2.90	0.03	-	5.08
Impairment charge for the year	-	-	-	1.85	1.85
Exchange differences	0.18	0.25	0.00	0.51	0.94
At 31 March 2021	8.41	11.71	0.08	22.22	42.42
Addition of entities to Restricted Group (Note 3(c))	-	1.68	-	-	1.68
Amortisation for the period	1.08	1.61	0.02	-	2.71
Exchange differences	(0.09)	(0.14)	(0.00)	(0.23)	(0.46)
At 30 September 2021	9.40	14.86	0.10	21.99	46.35
Net book value					
At 30 September 2021	27.30	64.05	0.58	100.68	192.61
At 31 March 2021	28.67	50.27	0.61	101.72	181.27

8. Trade receivables

	30 September 2021	31 March 2021
Gross trade receivables	244.22	183.86
Less: Allowance for expected credit loss	(18.63)	(10.90)
	225.59	172.96

All the trade receivables are short-term and their carrying values are considered a reasonable approximation of fair values. All trade receivables are designated as financial assets measured at amortised cost.

Trade receivables include unbilled receivables for passage of time of US\$5.94 million (31 March 2021: US\$4.20 million) and not past due US\$54.95 million (31 March 2021: US\$29.07 million). Trade receivables that are outstanding beyond the due date are considered as past due.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements**The ageing analysis of trade receivables and allowance for expected credit loss are given below:**

	30 September 2021	31 March 2021
Current	60.89	33.27
1 to 6 months	42.31	42.33
6 to 9 months	17.14	25.10
9 to 12 months	26.62	11.82
Beyond 12 months	97.26	71.34
Gross trade receivables	244.22	183.86
Less: Allowance for expected credit loss	(18.63)	(10.90)
Trade receivables	225.59	172.96

Significant portion of Restricted Group's receivables are due from Government (State owned and Central government units) and only a smaller portion is from corporates and private parties. The maximum exposure to credit risk at the reporting date is the carrying value of receivables mentioned above. The Restricted Group does not hold any collateral as security.

As at 30 September 2021, trade receivables include US\$ 89.16 million outstanding from Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM"), of which US\$ 54.21 million is under litigation. The Greenko Group along with other companies in the industry have challenged the APDISCOM's non-payment of the outstanding dues in Hon'ble High Court of Andhra Pradesh ("AP HC"). The AP HC has commenced the hearings on 2 August 2021 and multiple hearings were taken place post 2 August 2021. The AP HC has scheduled the final hearing on 29 December 2021. These receivables have been considered as fully recoverable by the Directors based on the evaluation of terms implicit in the contracts with the customer, judgements in favour of the Greenko Group and industry, various support regulations issued by the Central Government of India and legal opinions and the management believes that the final order would be in its favour. Accordingly, no adjustment has been made in the condensed combined interim financial statements. Further these receivables contractually carry interest for the delay in payment from the respective due dates. Refer note 16 for further details with respect to the ongoing litigations.

The Restricted Group has a provision in place to set aside an allowance to cover potential impairment and non-payment of trade receivables. An Expected Credit Loss provision has been calculated on trade receivables in accordance with IFRS 9 at each reporting date using a provision matrix under simplified approach. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, ageing, current conditions and forecasts of future economic conditions and adjusted for forward looking information. The movements on the allowance for expected credit losses of trade receivables is shown below:

	30 September 2021	31 March 2021
As at the beginning of the period/year	10.90	7.79
Charge for the period/year	7.88	4.39
Write off during the period/year	-	(1.48)
Exchange differences	(0.15)	0.20
Closing as at balance sheet date	18.63	10.90

9. Cash and cash equivalents

	30 September 2021	31 March 2021
Cash on hand	0.14	0.13
Cash at bank	19.66	26.80
	19.80	26.93

Cash at bank includes US\$12.72 million (31 March 2021: US\$9.01 million) in currencies other than INR (i.e., in US\$ and EURO).

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

10. Bank Deposits

The Restricted Group holds balances in deposit accounts with banks. All the current fixed deposits with original maturity of more than three months and less than 12 months amounting to US\$3.60 million (31 March 2021: US\$9.71 million) are classified as 'bank deposits' and disclosed under current assets. Deposits with maturity date beyond 12 months from reporting date amounting to US\$0.56 million (31 March 2021: US\$2.31 million) are disclosed under non-current assets. Bank deposits aggregating to US\$3.46 million (31 March 2021: US\$4.03 million) given as security.

11. Borrowings

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

	30 September 2021	31 March 2021
Non-current – financial liabilities measured at amortised cost		
Term loans from others	0.40	0.41
Working capital loans from banks	49.43	-
3.85% Senior notes (Note 11.1)	892.35	905.83
	942.18	906.24
Current – financial liabilities at amortised cost		
3.85% Senior notes (Note 11.1)	28.20	28.20
Working capital loans from banks	13.47	37.41
	41.67	65.61
Total	983.85	971.85

- 11.1** In July 2017, Greenko Dutch B.V., raised funds to the tune of US\$350.00 million and US\$650.00 million by issuing 4.875% and 5.25% US\$ Senior Notes respectively from institutional investors. These notes were refinanced by Greenko Dutch B.V. on 29 March 2021 through issuance of 3.85% US\$ Senior Notes to the tune of US\$940.00 million with maturity on 29 March 2026 (the Senior Notes) and listed these Senior Notes on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Dutch B.V. invested earlier issue proceeds in non-convertible debentures of certain Indian subsidiaries. For this purpose, Greenko Dutch B.V. is duly registered as a Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears along with 1.5% of mandatory amortisation redemption on semi-annual basis. The Senior Notes are secured by corporate guarantee of the Company and pledge of shares of Greenko Dutch B.V. owned by Greenko Mauritius. Non-convertible debentures issued to Greenko Dutch B.V. by Indian subsidiaries are secured by pledge of assets of those subsidiaries through an Indian trustee. Further, as per the terms of the senior notes, the Company has an option for early redemption subject to the conditions specified in the instrument.

- 11.2** Working capital loans are secured by trade receivables and bear fixed rate of interest of 12.00%.

- 11.3** The carrying amounts of the Restricted Group's borrowings are denominated in the following currencies:

	30 September 2021	31 March 2021
Indian rupee ("INR")	63.30	37.82
US Dollar ("US \$")	920.55	934.03
	983.85	971.85

- 11.4** The carrying amounts of the Group's borrowings are denominated in the following nature

	30 September 2021	31 March 2021
Fixed rate of interest	983.85	971.85
	983.85	971.85

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements**11.5 Reconciliation of liabilities arising from financing activities**

	Opening balance	Cash flows	Non-cash changes		Closing balance
			Foreign exchange movements	Transaction costs/ accrued	
Senior Notes and others	971.86	11.52	(0.14)	0.61	983.85
Lease liabilities	1.41	(0.23)	(0.48)	5.43	6.13

12. Revenue

The Restricted Group derives revenue from generation and sale of electricity. Revenues from sale of renewable energy certificates and generation based incentives are arising as a part of generation and supply of electricity.

	30 September 2021	30 September 2020
Sale of power	104.75	100.19
Sale of renewable energy certificates	-	0.11
Generation based incentive	3.38	3.36
	108.13	103.66

All the power generation facilities of Restricted Group are located in India and earn its revenues from customers located in India. Restricted Group deals in a single type of product i.e. power which is sold majorly to Government (Central and State-owned entities) within India under long-term power purchase agreements (PPA) and a smaller portion is sold to private and corporate customers.

The Restricted Group has identified supply of power over the term of PPA as a single performance obligation and revenue is recognised over time for units of power supplied in accordance with terms of PPA. There are no separate pending performance obligations as at the balance sheet to which a portion of the transaction price needs to be allocated.

Breakdown of revenue by source of generation is given below:

	30 September 2021	30 September 2020
Revenue from wind assets	48.50	46.03
Revenue from solar assets	34.28	31.43
Revenue from hydro assets	25.35	26.20
Total	108.13	103.66

Details of revenue from contracts with customers:

	30 September 2021	30 September 2020
Revenue as per contracted price	108.47	104.30
Less: Rebates	(0.34)	(0.64)
	108.13	103.66

Breakdown of revenue by concentration is given below:

	30 September 2021	30 September 2020
Revenue from Government bodies	93.63	95.90
Revenue from Private parties	14.50	7.76
Total	108.13	103.66

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

13. Segment reporting

The Restricted Group has adopted the “management approach” in identifying the operating segments as outlined in IFRS 8. The Restricted Group operations predominantly relate to generation and sale of electricity. The chief operating decision maker evaluates the Restricted Group performance and allocates resources based on an analysis of various performance indicators at operational unit level. Accordingly, there is only a single operating segment “generation and sale of electricity and related benefits”. Consequently, no segment disclosures of the Restricted Group are presented.

The Restricted Group has majority of its assets located within India and earn its revenues from customers located in India.

Revenue is mainly derived from customers A and B who has contributed for more than 10% of total revenue of the Restricted Group and they account for 24.72% (30 September 2020: 19.41%) and 13.96% (30 September 2020: 15.20%), respectively.

14. Related-party transactions

The Restricted Group is controlled by Greenko Energy Holdings. The Restricted Group have certain transactions with Greenko Energy Holdings and its subsidiaries which are not covered under Restricted Group. (Unrestricted Group entities).

- a. The details of the related party transactions with the Unrestricted Group are as follows:

	As at 30 September 2021	As at 31 March 2021
Loans taken/(repaid)	0.38	0.37
Consideration paid against acquisitions (Note 15)	-	20.62
Contribution of net assets from Parent (refer note 3 (c))	14.13	-
Project management fee	0.11	0.37

- b. Balance receivable from the Unrestricted Group:

	As at 30 September 2021	As at 31 March 2021
Balance payable	(33.74)	(20.49)
Balance receivable	29.86	30.10
Net (payable)/ receivable	(3.88)	9.61

- c. The inter-company loans are interest free and repayable on demand by Unrestricted Group.
- d. The Parent has given corporate guarantee and Greenko Mauritius pledged the shares held in the Company for the Senior Notes aggregating to US\$940.00 million.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

15. Acquisitions under common control

During the previous year ended 31 March 2021

On 20 May 2020, as a part of Greenko Group's strategy, Greenko Rayala Wind Power Private Limited ("Rayala"), one of the Restricted Group entity as described in Note 2 and Note 3 of these condensed combined interim financial statements, acquired Gangdari Hydro Power Private Limited ("Gangdari") from Unrestricted Group entity, Greenko Energies Private Limited ("GEPL"). Rayala, Gangdari and GEPL are under common control of Greenko Energy Holdings.

Acquisition of Gangdari by Rayala falls within the ambit of common control transaction under IFRS 3 "Business Combinations". As per the Restricted Group's accounting policy for common control transactions, acquisitions under common control are accounted for from the date of control by the Restricted Group entity. The assets and liabilities of entities acquired under common control are recognised at their carrying amounts appearing in Parent's consolidated financial statements as on the date of acquisition by the Restricted Group. The differences, if any, between the consideration paid and the carrying value of net assets of the entity acquired under common control are presented in net parent investment.

Gangdari has discharged the Debts from external lenders on the date of acquisition. Details of carrying value of net assets assumed, consideration transferred by Restricted Group towards net assets assumed and amounts recognised in net parent investment are summarised below.

	Amount
Property, plant and equipment	13.63
Intangible assets	4.51
Bank deposits	1.35
Cash and cash equivalents	0.22
Net working capital	0.61
Receivable from Unrestricted Group	0.46
Deferred tax liabilities	(1.84)
Carrying value of net assets	18.94
Consideration paid	(20.62)
Amount recognised in net parent investment	(1.68)
Cash outflow on account of acquisition:	
Consideration paid	(20.62)
Less: Cash and cash equivalents at the time of acquisition	0.22
Net cash outflow	(20.40)

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

16. Receivables under dispute

Receivables from APDISCOM

During the financial year 2019-20, the Government of Andhra Pradesh vide Government Order (GO) dated 1 July 2019 constituted a High Level Negotiating Committee ("HLNC") for review and negotiation of tariff for all wind and solar energy projects in the state of Andhra Pradesh. The Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM") had issued unilateral notices on 12 July 2019 for all wind and solar companies having Power Purchase Agreements ("PPAs") with APDISCOM for arbitrary reduction of PPA tariffs to Rs. 2.44 per kwh from original agreed tariffs in the range of Rs. 4.70 to Rs. 4.84 per unit. Indian Wind Power Association ("IWPA") and several Wind and Solar Generating companies including the Restricted Group IV entities and other Greenko Group companies having PPAs with APDISCOM had approached the Hon'ble High Court of Andhra Pradesh ("AP HC"), which on 24 September 2019, set aside the said APDISCOM notices and also quashed the GO for constitution of the HLNC.

In addition to the above, APDISCOM had earlier filed a petition ("OP 17/19") before the Andhra Pradesh Electricity Regulatory Commission ("APERC") seeking revision of certain normative parameters used in determination of wind feed-in tariffs and redetermination of tariff for existing PPAs at that time. Against these petitions, IWPA and several wind generating companies filed writ petition before the AP HC. The Single Judge of AP HC vide its order dated 24 September 2019, as an interim measure, instructed APDISCOM to honour pending and future bills at an interim rate of Rs. 2.44 per unit (as against the billed rate based on original tariff rate) and until the matter is resolved by the APERC and directed the APERC to conclude the hearings in OP 17/19 within 6 months period from September 2019. Against this, IWPA and power generating companies have filed Writ Appeals before the Division Bench of the AP HC challenging the jurisdiction of APERC in entertaining OP 17/19. Further, IWPA and power generating companies have filed another Writ Appeals before the Division Bench of the AP HC challenging the directions of Single Judge of AP HC to APDISCOM for releasing the monies at interim rate of Rs. 2.44 per unit. The above Writ Appeals were partly heard in March 2020 as AP HC heard only urgent matters during COVID pandemic.

Therefore, the power generating companies including Restricted Group IV entities and other Greenko Group companies have filed petitions under Article 139 of the Constitution of India before the Hon'ble Supreme Court of India ("Supreme Court") seeking transfer of the proceedings pending before the Division Bench of AP HC, and for adjudication of the same by the Supreme Court. Subsequently, the Supreme Court, whilst passing the Order dated 10 February 2021, in the transfer petitions, passed directions to the AP HC to proceed with the writ appeals for hearing.

While the transfer petitions were pending in the Supreme Court, the AP HC heard interim applications in Writ Appeals regarding payment related matters on 9 April 2021, 22 April 2021 and commenced the hearings on 2 August 2021. Multiple hearings were taken place post 2 August 2021 and AP HC has scheduled the final hearing on 29 December 2021.

Based on various other favourable judgements and based on legal advice, the management believes that final order would be in its favour and hence no adjustment has been made in the condensed combined interim financial statements. Accordingly, the Restricted Group IV continues to recognise the revenue from supply of power to APDISCOM at the original rate as per PPA and has determined that the related trade receivables are currently fully recoverable. Total trade receivable balance outstanding from APDISCOM as on 30 September 2021 is US\$ 89.16 million, of which US\$ 54.21 million is under litigation. Also refer to note 8 of trade receivables.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

17. Commitments and contingencies

The commitments and contingencies of the Restricted Group are:

a) Capital commitments

Capital expenditure contracted for as at 30 September 2021 but not yet incurred aggregated to US\$0.47 million (31 March 2021: US\$ 0.48 million).

- b) A Few of the Restricted Group's power generating units in India have various income tax and indirect tax disputes with the tax authorities. The Restricted Group has appealed against the orders of the income tax officer/authority at appropriate levels. The Restricted Group has been successful in obtaining favourable orders in few cases. The tax authorities have appealed against these orders. Based on assessment of these claims, the management is confident of ultimate favourable outcome. The amount involved in these claims are US\$5.55 million (31 March 2021: US\$4.56 million).
- c) In December 2010, Sai Spurthi Power Private Limited (SSPPL), received a letter from a bank informing SSPPL that three corporate guarantees aggregating to US\$6.36 million (31 March 2021: US\$6.43 million) were given by SSPPL in respect of loans availed by Sagar Power (Neerukatte) Limited, a company promoted and owned by erstwhile management of SSPPL. On verification of records and discussions with the erstwhile management, the management believes that only one corporate guarantee of US\$0.60 million (31 March 2021: US\$ 0.60 million) was provided to the bank. The management is confident that the contingent liability of SSPPL under the corporate guarantees issued will not exceed US\$0.60 million (31 March 2021: US\$ 0.60 million). Further, as per the terms of the share purchase agreement with the promoters/erstwhile seller-shareholders of SSPPL, the promoters/erstwhile seller-shareholders of SSPPL are required to have the corporate guarantee(s) released without any liability to SSPPL or the Restricted Group.

During 2012-13, SSPPL received a communication from Indian Renewable Energy Development Agency ("IREDA") informing that SSPPL had given a corporate guarantee of US\$1.02 million (31 March 2021: US\$ 1.03 million) for the credit facilities availed by Bhadravathi Power Private Limited, a company promoted and owned by erstwhile management of SSPPL. On verification of records and discussions with the erstwhile Managing Director, SSPPL came to an opinion that the said corporate guarantee was not executed on behalf of SSPPL and hence SSPPL is not responsible for any liability under those documents. This is a matter of dispute which needs to be finally settled. The promoters/erstwhile seller-shareholders are responsible and obligated to the Restricted Group to settle this liability, if any.

- d) Prior to acquisition, Greenko Budhil Hydro Power Private Limited (Greenko Budhil), had received demand notices aggregating to US\$6.29 million (31 March 2021: US\$6.36 million) from various government authorities in relation to duty drawback, construction cess, entry tax and common costs for transmission lines for the period November 2011 to May 2012. Greenko Budhil has contested these demands at various levels. Pending disposal of these matters, based on internal assessment and based on legal opinion, the Restricted Group is confident of favourable outcomes in these matters. Further, the promoters/erstwhile seller-shareholders are responsible and obligated to the Restricted Group to settle these disputes.

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

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

- e) The Restricted Group have acquired private lands for setting up wind and solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Restricted Group has not received any demand for additional payment and these cases are pending at District Court/High Court Level. The management believes that the Restricted Group has a strong case and outflow of economic resources is not probable.
- f) In addition to matters mentioned above, the Restricted Group is subject to litigations and claims which have arisen in the ordinary course of business. Based on facts, hearings, evidences and based on legal assessments, the management believes that outflow of economic resources are not probable against these litigations and claims.

18. Financial risk management

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

a. Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of volatility of prices in the financial markets. Market risk can be further segregated into (i) foreign exchange risk and (ii) interest rate risk.

i) Foreign exchange risk

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

The translation of INR amounts of restricted entities into USD for the condensed combined interim financial statements of Restricted Group is only for the purpose of converting the financial statements into presentation currency and the currency differences are taken to OCI. This does not impact the Restricted Group's cash flow and does not expose the Restricted Group to foreign exchange risk.

ii) Interest rate risk

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

b. Credit risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Restricted Group is exposed to credit risk from its operating activities primarily for trade receivables, and from its financing activities, including deposits with banks, trade and other financial assets. The carrying amounts of financial assets represent the maximum credit exposure.

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

Trade receivables

The Restricted Group's credit risk arises from trade receivable balances on sales to customers. In respect of trade receivables, the Restricted Group is not exposed to any significant credit risk exposure to any single counterparty (non-government) or any group of counterparties having similar characteristics. Significant portion of the Restricted Group's revenue is derived from sales to state owned utilities and corporations under long-term power purchase agreements and hence, potential risk of default by the State utilities is remote. The Restricted Group also has a smaller portion of trade receivables due from private parties. The Restricted Group assesses the credit quality of the purchaser based on its financial position and other information. Refer Note 8 for credit risk and other information in respect of trade receivables.

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of cash and cash equivalents, bank deposits, derivative financial assets and security deposits.

Credit risk on cash and cash equivalents, bank balances, bank deposits and derivative assets are limited as the Restricted Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Restricted Group does not expect these banks and financial institutions to fail in meeting their obligations and hence the expected credit loss is not material.

The fair value of derivative instruments are accounted for based on the difference between the contractual price and the current market price. The fair value of these derivative instruments are the indicative amounts that the Restricted Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

c. Liquidity risk

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

In respect of its existing operations, the Restricted Group funds its activities primarily through long-term loans secured against each power plant. The Restricted Group's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

The table below analyses the Restricted Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The Restricted Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities and the data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below:

Greenko Dutch B.V. (Restricted Group)

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed combined interim financial statements

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

At 30 September 2021

	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	983.85	41.67	41.67	906.53	0.40	990.27
- Interest	-	40.64	38.52	81.85	-	161.01
Trade and other payables	22.74	22.74	-	-	-	22.74
Other financial liabilities	97.04	11.18	22.54	67.69	-	101.41
Borrowings from unrestricted group	3.88	3.88	-	-	-	3.88
Lease liabilities	6.13	0.87	1.16	3.48	4.18	9.69
Total	1,113.64	120.98	103.89	1,059.55	4.58	1,289.00

At 31 March 2021

	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	971.85	65.61	28.20	883.60	0.41	977.82
- Interest	-	35.52	34.83	97.98	-	168.33
Trade and other payables	27.32	27.32	-	-	-	27.32
Other financial liabilities	22.73	4.82	4.82	14.46	-	24.10
Lease liabilities	1.42	0.26	0.26	0.51	1.82	2.85
Total	1,023.32	133.53	68.11	996.55	2.23	1,200.42

The entities forming part of the Restricted Group, generate their own independent cash flows and while determining projected net cash flows, management used certain assumptions based on its current and future operations. The projected cash flows of these entities are based on the capacity utilisation and net cash generated from the existing projects, technical reports for wind, hydro and solar and long-term power purchase agreements entered for the projects which in the process of commencement of commercial production. The net cash flows expected to be generated from the projects shall be sufficient to meet the Restricted Group's operating and finance costs due for payment in next 12 months.

19. Impact of COVID-19

In preparation of the financial statements, the Restricted Group has considered the possible effects that may result from COVID-19 outbreak and more severe outbreak of the second wave in recent months. The Power plants of the Restricted Group are operating and generation of energy is normal. Further, the Ministry of New and Renewable Energy (MNRE) has issued directives to all State DISCOM's to adhere to the status of "Must Run" with respect to Renewable energy generating companies. The Restricted Group has not experienced any material impact on collection of its receivables from its customers due to the pandemic apart from receivables from DISCOMs which are under litigations. The management does not see any risks in the Restricted Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Restricted Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of the unprecedented situation.

20. Events after the reporting date

There have been no significant events after the reporting date which requires disclosures or amendments to the condensed combined interim financial statements.

GREENKO ENERGY HOLDINGS
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

GREENKO ENERGY HOLDINGS
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Independent Auditors' Report on Review of Interim Financial Statements

To the directors of Greenko Energy Holdings

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Greenko Energy Holdings ("the Group") as at 30 September 2021, the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes to the condensed consolidated interim financial statements ("the condensed consolidated interim financial statements"). Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with IAS 34, Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 September 2021 is not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting.



Emphasis of Matter

We draw attention to note 14(a) to the condensed consolidated interim financial statements which describes the ongoing litigation with Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM") related to dues from APDISCOM against supply of power as per Power Purchase Agreements. Our conclusion is not modified in respect of the above matter.

A stylized, handwritten signature of the KPMG firm, rendered in black ink.

KPMG
Ebène, Mauritius

A handwritten signature in black ink, appearing to read 'Imtiaz Ajeda'.

Imtiaz Ajeda
Licensed by FRC

Date: **16 December 2021**

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Condensed consolidated statement of financial position

	Notes	As at 30 September 2021	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	5	4,740.20	4,694.81
Intangible assets and goodwill	6	1,198.03	1,235.74
Equity-accounted investees		144.82	114.29
Bank deposits	9	79.44	90.52
Derivative financial assets	16	371.81	285.82
Other investments		0.34	0.34
Other receivables		19.99	15.09
		6,554.63	6,436.61
Current assets			
Inventories		9.47	8.14
Trade receivables	7	770.95	566.13
Other receivables		73.56	73.04
Other investments		0.09	0.07
Bank deposits	9	107.22	116.18
Taxation receivable		7.92	8.81
Cash and cash equivalents	8	298.27	558.63
		1,267.48	1,331.00
Total assets		7,822.11	7,767.61
Equity and liabilities			
Equity			
Share capital	10	2,255.16	2,255.16
Currency translation reserve		(371.98)	(326.02)
Other reserves		(2.76)	(2.76)
Retained earnings		(0.35)	(80.89)
Equity attributable to owners of the Company		1,880.07	1,845.49
Non-controlling interests		15.36	14.39
Total equity		1,895.43	1,859.88
Liabilities			
Non-current liabilities			
Retirement benefit obligations		5.97	5.65
Borrowings	11	4,188.46	4,415.24
Other financial liabilities		188.14	157.41
Deferred tax liabilities, net		543.84	528.89
Trade and other payables		13.49	24.85
Lease liabilities		14.03	6.37
		4,953.93	5,138.41
Current liabilities			
Borrowings	11	635.72	430.88
Trade and other payables		242.75	272.69
Other financial liabilities		82.02	64.29
Lease liabilities		1.40	0.81
Taxation payable		10.86	0.65
		972.75	769.32
Total liabilities		5,926.68	5,907.73
Total equity and liabilities		7,822.11	7,767.61

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

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Condensed consolidated statement of profit or loss and other comprehensive income**

	Notes	Six months ended 30 September 2021	Six months ended 30 September 2020
Revenue	12	453.63	357.12
Other operating income		0.67	0.81
Cost of material and power generation expenses		(35.00)	(25.28)
Employee benefits expense		(14.30)	(10.83)
Other operating expenses		(18.90)	(12.63)
Impairment loss on trade receivables		(12.20)	(7.44)
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	18	373.90	301.75
Depreciation and amortization		(115.93)	(95.70)
Operating profit		257.97	206.05
Finance income		11.42	9.94
Finance costs		(163.00)	(161.48)
		106.39	54.51
Share of profit from equity-accounted investees		15.29	0.13
Profit before tax		121.68	54.64
Income tax expense		(40.17)	(34.37)
Profit for the period		81.51	20.27
Profit for the period attributable to:			
Owners of the Company		80.54	19.74
Non – controlling interests		0.97	0.53
		81.51	20.27
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(45.96)	87.71
Total other comprehensive income		(45.96)	87.71
Total comprehensive income		35.55	107.98
Total comprehensive income attributable to:			
Owners of the Company		34.58	107.45
Non-controlling interests		0.97	0.53
		35.55	107.98

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

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Condensed consolidated statement of changes in equity
Six months ended 30 September 2021:

	Ordinary shares	Currency translation reserve	Other reserves	Retained earnings	Total attributable to owners of Company	Non- controlling interests	Total equity
At 1 April 2021	2,255.16	(326.02)	(2.76)	(80.89)	1,845.49	14.39	1,859.88
Profit for the period	-	-	-	80.54	80.54	0.97	81.51
Exchange differences on translating foreign operations	-	(45.96)	-	-	(45.96)	-	(45.96)
Total comprehensive income	-	(45.96)	-	80.54	34.58	0.97	35.55
At 30 September 2021	2,255.16	(371.98)	(2.76)	(0.35)	1,880.07	15.36	1,895.43

Six months ended 30 September 2020:

	Ordinary shares	Currency translation reserve	Other reserves	Retained earnings	Total attributable to owners of Company	Non- controlling interests	Total equity
At 1 April 2020	1,709.28	(424.66)	(2.76)	96.97	1,378.83	17.03	1,395.86
Share based payments	-	-	-	3.66	3.66	-	3.66
Transactions with owners of the Company	-	-	-	3.66	3.66	-	3.66
Profit for the period	-	-	-	19.74	19.74	0.53	20.27
Exchange differences on translating foreign operations	-	87.71	-	-	87.71	-	87.71
Total comprehensive income	-	87.71	-	19.74	107.45	0.53	107.98
At 30 September 2020	1,709.28	(336.95)	(2.76)	120.37	1,489.94	17.56	1,507.50

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

Greenko Energy Holdings
(All amounts in US Dollar millions unless otherwise stated)
Condensed consolidated statement of cash flows

	Notes	Six months ended 30 September 2021	Six months ended 30 September 2020
A. Cash flows from operating activities			
Profit before income tax expense		121.68	54.64
<i>Adjustments for</i>			
Depreciation and amortisation		115.93	95.70
Finance income		(11.42)	(9.94)
Finance costs		163.00	161.48
Share based payments		-	3.66
Impairment loss on trade receivables		12.20	7.44
Share of profit from equity-accounted investees		(15.29)	(0.13)
<i>Changes in working capital</i>			
Inventories		(1.42)	(0.86)
Trade and other receivables		(224.60)	(129.67)
Trade and other payables		(38.33)	0.57
<i>Cash generated from operations</i>		121.75	182.89
Taxes paid, net		(4.00)	(1.70)
Net cash from operating activities		117.75	181.19
B. Cash flows from investing activities			
Purchase of property, plant and equipment and capital expenditure		(147.45)	(48.05)
Consideration paid for acquisitions made by subsidiaries		(6.37)	(18.33)
Investment in Equity-accounted investees		(15.40)	-
Advance for purchase of equity		-	(0.33)
Advances given to equity-accounted investees		(3.63)	(8.77)
Amounts refunded by equity-accounted investees		0.04	-
Bank deposits		16.17	(22.89)
Interest received		4.13	5.47
Net cash used in investing activities		(152.51)	(92.90)
C. Cash flows from financing activities			
Proceeds from borrowings	11(e)	292.34	136.70
Repayment of borrowings	11(e)	(303.89)	(79.68)
Payment of lease liabilities	11(e)	(1.03)	(0.74)
Interest paid		(171.40)	(155.51)
Premium paid on derivative contracts		(37.82)	(30.89)
Net cash used in financing activities		(221.80)	(130.12)
Net decrease in cash and cash equivalents		(256.56)	(41.83)
Cash and cash equivalents at the beginning of the period		558.63	322.22
Exchange losses on cash and cash equivalents		(3.80)	2.14
Cash and cash equivalents at the end of the period		298.27	282.53

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

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

1. General information

Greenko Energy Holdings (“the Company” or “Parent”) is a company domiciled in Mauritius and registered as a company limited by shares under company number C130988 pursuant to the provisions of the Mauritius Companies Act 2001. The registered office of the Company is at 33, Edith Cavell Street, Port Louis, Mauritius. The Company was incorporated on 12 June 2015.

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

The Company together with subsidiaries are in the business of owning and operating clean energy facilities in India. All the energy generated from these plants is sold to state utilities, captive consumers, direct sales to private customers and other electricity transmission and trading companies in India through a mix of long-term power purchase agreements (“PPA”), short-term power supply contracts and spot markets of energy exchanges. The Group holds a licence to trade up to 500 million units of electricity per annum in the whole of India. The Group is also a part of the Clean Development Mechanism (“CDM”) process and generates and sells emissions reduction benefits such as Certified Emission Reductions (“CER”) and Renewable Energy Certificates (“REC”).

The Company together with its subsidiaries hereinafter referred to as “the Group”.

2. Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 September 2021 and are presented in US Dollar millions. The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) “Interim Financial Reporting” and do not include all the information required in annual financial statements in accordance with International Financial Reporting Standards (IFRS) and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2021.

The condensed consolidated interim financial statements have been prepared for the purpose of complying with financial reporting requirements under the indentures governing the Senior Notes issued by its wholly subsidiaries. Greenko Energy Holdings is the Parent Guarantor for Senior Notes. The financial information for the period from 1 April 2021 to 30 September 2021 and 1 April 2020 to 30 September 2020 are unaudited and have been reviewed. The comparatives as at 31 March 2021 are audited and have been extracted from the audited consolidated financial statements for the year ended 31 March 2021.

3. Significant accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the Group’s last audited annual financial statements for the year ended 31 March 2021. The presentation of the condensed consolidated interim financial statements is consistent with the audited consolidated financial statements.

4. Use of estimates and judgements

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 March 2021.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements
5. Property, plant and equipment

	Land	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Right of use assets	Capital work-in-progress	Total
Cost								
At 1 April 2020	86.09	342.76	3,504.71	9.79	3.87	16.54	460.97	4,424.73
Acquisition through business combination	11.89	-	592.58	0.02	0.02	0.23	13.41	618.15
Additions	2.70	4.85	1.35	0.52	0.70	3.52	107.00	120.64
Disposals	(0.38)	-	(0.60)	(0.00)	(0.42)	(3.77)	-	(5.17)
Exchange differences	2.19	8.86	84.66	0.25	0.11	0.42	(0.67)	95.82
At 31 March 2021	102.49	356.47	4,182.70	10.58	4.28	16.94	580.71	5,254.17
Additions	1.60	0.02	1.68	0.51	0.45	13.06	171.23	188.55
Disposals	-	-	(0.99)	(0.00)	-	(4.31)	-	(5.30)
Exchange differences	(1.06)	(3.65)	(42.77)	(0.11)	(0.05)	(0.21)	(6.67)	(54.52)
At 30 September 2021	103.03	352.84	4,140.62	10.98	4.68	25.48	745.27	5,382.90
Accumulated depreciation								
At 1 April 2020	-	33.45	355.46	4.53	1.67	1.42	-	396.53
Charge for the year	-	10.84	137.60	1.65	0.53	1.30	-	151.92
Disposals	-	-	(0.07)	-	(0.21)	(0.42)	-	(0.70)
Exchange differences	-	0.96	10.40	0.15	0.05	0.05	-	11.61
At 31 March 2021	-	45.25	503.39	6.33	2.04	2.35	-	559.36
Charge for the period	-	5.48	83.30	0.75	0.23	0.99	-	90.75
Disposals	-	-	(0.01)	-	-	(1.36)	-	(1.37)
Exchange differences	-	(0.49)	(5.44)	(0.07)	(0.02)	(0.02)	-	(6.04)
At 30 September 2021	-	50.24	581.24	7.01	2.25	1.96	-	642.70
Net book values								
At 30 September 2021	103.03	302.60	3,559.38	3.97	2.43	23.52	745.27	4,740.20
At 31 March 2021	102.49	311.22	3,679.31	4.25	2.24	14.59	580.71	4,694.81

Certain borrowings at project level are secured against the present and future moveable and immovable assets of the project. The Group has capitalised borrowing costs amounting to US\$ 36.78 million for the six months ended 30 September 2021 (year ended 31 March 2021: US\$38.60 million) on qualifying assets during construction. Note 13 (g) provides details of capital commitments outstanding as at 30 September 2021.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

6. Intangible assets and goodwill

	Licences	Electricity PPAs	Development fees	Goodwill	Total
Cost					
At 1 April 2020	117.39	770.00	40.88	223.17	1,151.44
Acquisition through business combination	-	195.69	-	14.62	210.31
Exchange differences	3.02	17.96	1.05	5.59	27.62
At 31 March 2021	120.41	983.65	41.93	243.38	1,389.37
Exchange differences	(1.23)	(10.07)	(0.43)	(2.49)	(14.22)
At 30 September 2021	119.18	973.58	41.50	240.89	1,375.15
Accumulated amortisation and impairment					
At 1 April 2020	11.38	67.11	3.18	24.10	105.77
Amortisation for the year	4.72	36.42	1.75	-	42.89
Impairment charge for the year	-	-	-	1.85	1.85
Exchange differences	0.34	2.07	0.09	0.62	3.12
At 31 March 2021	16.44	105.60	5.02	26.57	153.63
Amortisation for the period	2.37	21.93	0.88	-	25.18
Exchange differences	(0.18)	(1.18)	(0.06)	(0.27)	(1.69)
At 30 September 2021	18.63	126.35	5.84	26.30	177.12
Net book values					
At 30 September 2021	100.55	847.23	35.66	214.59	1,198.03
At 31 March 2021	103.97	878.05	36.91	216.81	1,235.74

Goodwill arising on business combinations is not amortized but is tested for impairment at least annually, or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired.

Goodwill acquired through business combination has been allocated to each individual power generation unit as a cash generating unit ("CGU"). The recoverable amount of a CGU is determined based on value-in-use calculations. As the Group has long-term power purchase agreements with customers, these calculations use pre-tax cash flow projections prepared by management based on balance life of the project.

The Group undertook the impairment testing of Goodwill assigned to each CGU as at 31 March 2021 applying value in use approach across all the CGUs. The following were the key assumptions used in calculation of value-in-use for each cash generating unit:

- Projected revenues** - The Group has determined the revenues for the balance life of the project based on average plant load factor (PLF) and energy production study reports obtained by the Group from third party technical consultants, the existing Power Purchase Agreements (PPA) with the transmission companies and other customers. The PPA is a long-term contract with agreed price per unit of power sold and the growth rates used are consistent with those contracts. In case of short-term PPAs and open access sale agreements, the growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.
- Other operating costs** - These costs are estimated using the historical performance and plant maintenance activity. The estimates of other operating costs used in value-in-use calculations are consistent with those used in the Group's approved business plan. The growth rate applied to other operating costs fully reflects the expected operating lives of the power projects.
- Discount rates** - The discount rate used is pre-tax and reflects the specific risks associated with the respective projects and are in the range of 9.60% to 10.20%.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

As on 30 September 2021, there are no impairment indicators and there are no significant changes in assumptions and conditions from the last impairment testing.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****7. Trade receivables**

	30 September 2021	31 March 2021
Gross trade receivables	821.75	605.19
Less: Allowance for expected credit loss	(50.80)	(39.06)
	770.95	566.13

All the trade receivables are short-term and their carrying values are considered a reasonable approximation of fair values. All trade receivables are classified as financial assets measured at amortised cost. Trade receivables include unbilled receivables for passage of time of US\$22.69 million (31 March 2021: US\$ 14.18 million) and not past due US\$194.17 million (31 March 2021: US\$ 106.14 million). Trade receivables that are outstanding beyond the due date are considered as past due.

The ageing of trade receivables and expected credit loss are given below:

	30 September 2021	31 March 2021
Current	216.86	120.32
1 to 6 months	170.75	155.07
6 to 9 months	57.81	68.24
9 to 12 months	79.69	31.35
Beyond 12 months	296.64	230.21
Gross trade receivables	821.75	605.19
Less: Allowance for expected credit loss	(50.80)	(39.06)
Trade receivables	770.95	566.13

Concentration of trade receivables is significant for the Group's receivables that are due from Government (Central and State-owned entities) as only a smaller portion is from corporates and private parties. The maximum exposure to credit risk at the reporting date is the carrying value of receivables mentioned above. The Group does not hold any collateral as security.

As at 30 September 2021, trade receivables include US\$ 352.53 million outstanding from Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM"), of which US\$220.66 million is under litigation. The Group along with other companies in the industry have challenged the APDISCOM's non-payment of the outstanding dues in Hon'ble High Court of Andhra Pradesh ("AP HC"). The AP HC has commenced the hearings on 2 August 2021 and multiple hearings have taken place post 2 August 2021. The AP HC has scheduled the final hearing on 29 December 2021. These receivables have been considered as fully recoverable by the Directors based on the evaluation of terms implicit in the contracts with the customer, judgements in favour of the Group and industry, various support regulations issued by the Central Government of India and legal opinions and the management believes that the final order would be in its favour. Accordingly, no adjustment has been made to the classification and expected credit loss calculated in the condensed consolidated interim financial statements. Further these receivables contractually carry interest for the delay in payment from the respective due dates. Refer note 14(a) for further details with respect to the ongoing litigations.

The Group has an allowance in place cover potential impairment and non-payment of trade receivables. An Expected Credit Loss provision has been calculated on trade receivables in accordance with IFRS 9 at each reporting date using a provision matrix under the simplified approach. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, ageing, current conditions and forecasts of future economic conditions and adjusted for forward looking information. The movements on the allowance for expected credit losses of trade receivables is shown below:

	30 September 2021	31 March 2021
As at the beginning of the period/year	39.06	19.60
Charge for the period / year	12.20	18.85
Exchange differences	(0.46)	0.61
Closing as at the end of period/year	50.80	39.06

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****8. Cash and cash equivalents**

	30 September 2021	31 March 2021
Cash on hand	0.36	0.35
Cash at bank	297.91	558.28
	298.27	558.63

Cash at bank of the Group includes US\$ 39.87 million (31 March 2021: US\$ 70.32 million) in currencies other than INR (i.e., in US\$, GBP, SGD and EURO).

9. Bank deposits

The Group holds balances in deposit accounts with banks. All fixed deposits with original maturity of more than three months and less than 12 months amounting to US\$ 107.22 million (31 March 2021: US\$ 116.18 million) are classified as 'bank deposits' under current assets. Deposits with maturity date beyond 12 months from the reporting date amounting to US\$ 79.44 million (31 March 2021: US\$ 90.52 million) are disclosed under non-current assets. Bank deposits aggregating to US\$ 88.39 million (31 March 2021: US\$ 102.15 million) given as security against borrowings and guarantees.

Bank deposits include US\$ 14.00 million (31 March 2021: US\$ 14.00 million) in currencies other than INR (i.e., in US\$).

10. Share capital

	30 September 2021	31 March 2021
Issued and fully paid with no par value		
1,088,146,129 (31 March 2021: 1,088,146,129) Class A shares	2,255.16	2,255.16
7,044,000 (31 March 2021: 7,044,000) Class B2 Performance shares	-	-
Total	2,255.16	2,255.16

Shareholders holding Class A ordinary shares are entitled to dividends as declared from time to time. Holders of Class A shares are entitled to one vote per share at the general meetings of the Company.

Class B2 performance shares are not entitled to dividends and are also not entitled to voting rights. Further, Class B2 performance shareholders are not entitled to participate in the net assets on liquidation of the Company.

During May 2019 (as amended in January 2021) the Company has entered into definitive agreements ("Amended and Restated Rights Issue Deed") with its shareholders Cambourne Investment Pte Limited, Green Rock B 2014 Limited and Greenko Ventures Limited for subscription of 404,628,335 Class A ordinary shares at subscription price contemplated in Amended and Restated Rights Issue Deed subject to fulfilment of certain conditions. Cambourne Investment Pte Limited and Green Rock B 2014 Limited have subscribed to 104,100,000 rights shares till date against Amended and Restated Rights Issue Deed.

During May 2019, the Company granted a right to subscribe 101,634,576 warrant shares to Greenko Ventures Limited ("GVL") along with above rights issue on similar terms and GVL can subscribe at any time during the warrant period contemplated in warrant deed entered between the shareholders of the Company. On 5 March 2021, GVL has subscribed to 32,311,786 warrant shares.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****11. Borrowings**

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

	30 September 2021	31 March 2021
Non-current – Financial liabilities measured at amortised cost		
Term loans from banks	241.73	402.88
Term loans from financial institutions	1,103.29	1,159.03
3.85% Senior Notes {Refer Note 11.5 (a)}	892.35	905.83
4.875% Senior Notes {Refer Note 11.5 (b)}	495.22	494.02
5.55% Senior Notes {Refer Note 11.5 (c)}	494.52	493.75
5.95% Senior Notes {Refer Note 11.5 (c)}	528.56	527.82
6.25% Senior Notes {Refer Note 11.5 (d)}	432.79	431.91
	4,188.46	4,415.24
Current – Financial liabilities measured at amortised cost		
Term loans from banks	447.94	236.54
Term loans from financial institutions	64.55	66.82
3.85% Senior Notes {Refer Note 11.5 (a)}	28.20	28.20
Working capital loans	95.03	99.32
	635.72	430.88
Total borrowings	4,824.18	4,846.12

- 11.1. Term loans from banks and financial institutions mature over the financial years 2021 to 2040 and bear rates of interest in the range of 8.75% to 12.57%. Working capital loans are short-term and bear rates of interest in the range of 8.45% to 9.00%.
- 11.2. Term loans from banks and financial institutions are secured against first charge by way of hypothecation of all immovable properties including plant and machinery and all other movable properties both present and future of respective subsidiary. Some of the loans are also secured by pledge of shares of subsidiaries and corporate guarantees within the Group. Working capital loans are secured by first charge on trade receivables. Additionally, the borrowings are also secured by lien on bank deposits amounting to US\$71.08 million (31 March 2021: US\$ 77.34 million).
- 11.3. The carrying amounts of the Group's borrowings are denominated in the following currencies:

	30 September 2021	31 March 2021
Indian Rupee (INR)	1,952.54	1,964.59
US Dollar (US\$)	2,871.64	2,881.53
	4,824.18	4,846.12

- 11.4. The carrying amounts of the Group's borrowings are denominated in the following nature

	30 September 2021	31 March 2021
Fixed rate of interest	4,023.25	3,829.31
Variable rate of Interest	800.93	1,016.81
	4,824.18	4,846.12

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

11. Borrowings (continued)

11.5. Notes and Senior Notes

- a) In July 2017, Greenko Dutch B.V., raised funds to the tune of US\$350.00 million and US\$650.00 million by issuing 4.875% and 5.25% US\$ Senior Notes respectively from institutional investors. These notes were refinanced by Greenko Dutch B.V. on 29 March 2021 through issuance of 3.85% US\$ Senior Notes to the tune of US\$940.00 million with maturity on 29 March 2026 (the Senior Notes) and listed these Senior Notes on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Dutch B.V. invested earlier issue proceeds in non-convertible debentures of certain Indian subsidiaries. For this purpose, Greenko Dutch B.V. is duly registered as a Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears along with 1.5% of mandatory amortisation redemption on semi-annual basis. The Senior Notes are secured by corporate guarantee of the Company and pledge of shares of Greenko Dutch B.V. owned by Greenko Mauritius. Non-convertible debentures issued to Greenko Dutch B.V. by Indian subsidiaries are secured by pledge of assets of those subsidiaries through an Indian trustee. Further, as per the terms of the senior notes, the Company has an option for early redemption subject to the conditions specified in the instrument.
- b) In August 2016, Greenko Investment Company (“Greenko Investment”), a subsidiary of Greenko Mauritius, raised funds to the tune of US\$500.00 million by issuing 4.875% US\$ Senior Notes (the Senior Notes) to institutional investors. The Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Investment invested issue proceeds, net of issue expenses, in non-convertible debentures of certain Indian subsidiaries. For this purpose, Greenko Investment is duly registered as Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 16 August 2023. The Senior Notes are secured by corporate guarantee of the Company and pledge of shares of Greenko Investment owned by Greenko Mauritius. Further, the assets of Indian subsidiaries have been pledged to secure non-convertible debentures by Indian subsidiaries through an Indian trustee.
- c) In July 2019, Greenko Solar (Mauritius) Limited (“GSML”), raised funds of US\$500.00 million and US\$535.00 million by issuing 5.55% and 5.95% US\$ Senior Notes (the Senior Notes) respectively to institutional investors. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 29 January 2025 and 29 July 2026 respectively.

These Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). In accordance with the terms of the issue and as permitted under law, Greenko Solar (Mauritius) Limited invested issue proceeds, net of issue expenses, in non-convertible debentures of certain Indian subsidiaries to enable repayment of existing Rupee debt. For this purpose, Greenko Solar (Mauritius) Limited is duly registered as a Foreign Portfolio Investor under the Indian law. The Senior Notes are secured by corporate guarantee of the Company and pledge of shares of Greenko Solar (Mauritius) Limited owned by Greenko Mauritius. Non-convertible debentures issued to Greenko Solar (Mauritius) Limited by Indian subsidiaries are secured by pledge of assets of those subsidiaries through an Indian trustee. Further, as per the terms of the senior notes, the Company has an option for early redemption subject to the conditions specified in the instrument.

- d) In August 2019, Greenko Mauritius, raised funds of US\$435.00 million by issuing 6.25% US\$ Senior Notes (the Senior Notes) from institutional investors. The Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). In accordance with the terms of the issue and as permitted under law, Greenko Mauritius has utilised the issue proceeds, net of issue expenses, for repayment of existing debt of Greenko Mauritius and certain existing indebtedness of Indian subsidiaries. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 21 February 2023. Further, as per the terms of the senior notes, the Company has an option for early redemption subject to the conditions specified in the instrument.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

11. Borrowings (continued)

e) Reconciliation of liabilities arising from financing activities:

	As at 1 April 2021	Proceeds during the period	Repayment during the period	Non-cash changes		As at 30 September 2021
				Foreign Exchange movements	Transaction costs/ accrued	
Borrowings	4,846.12	292.34	(303.89)	(20.15)	9.76	4,824.18
Lease liabilities	7.18	9.30	(1.03)	(0.55)	0.53	15.43

	As at 1 April 2020	Proceeds during the year	Repayment during the year	Additions through business combinations	Non-cash changes		As at 31 March 2021
					Foreign Exchange movements	Transactio n costs/ accrued	
Borrowings	4,167.36	1,386.97	(1,270.18)	515.54*	28.80	17.63	4,846.12
Lease liabilities	7.91	(1.82)	(0.72)	0.26	0.87	0.68	7.18

* net of inter-company borrowings amounting to US\$ 30.21 million.

12. Revenue

The Group derives revenue from generation and sale of electricity. Revenues from sale of renewable energy certificates and generation based incentives are arising as a part of generation and supply of electricity.

	30 September 2021	30 September 2020
Sale of power	433.11	342.90
Sale of renewable energy certificates	-	0.10
Generation based incentive	20.52	14.12
	453.63	357.12

All the power generation facilities of the Group are located in India and earn its revenues from customers located in India. The Group deals in a single type of product i.e. power which is sold directly to customers, largely to Government (State utilities), within India under long-term power purchase agreements (PPA).

The Group has identified supply of power over the term of PPA as a single performance obligation and revenue is recognised over time for units of power supplied in accordance with terms of PPA. There are no separate pending performance obligations as at the balance sheet to which a portion of the transaction price needs to be allocated.

Breakdown of revenue by source of generation is given below:

	30 September 2021	30 September 2020
Revenue from wind assets	293.39	203.34
Revenue from solar assets	101.91	98.41
Revenue from hydropower assets	58.31	55.09
Revenue from others	0.02	0.28
Total	453.63	357.12

Breakdown of revenue by concentration is given below:

	30 September 2021	30 September 2020
Revenue from Government bodies	392.63	315.32
Revenue from Private parties	61.00	41.80
Total	453.63	357.12

Revenue is mainly derived from customers A and B who has contributed for more than 10% of total revenue of the Group and they account for 23.39% (30 September 2020: 26.38%) and 8.57% (30 September 2020: 10.93%) respectively.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

13. Commitments and contingencies

The commitments and contingencies of the Group are:

- a) A few of the Group's power generating units in India have income tax disputes, indirect tax disputes, cess and water tax disputes with the tax authorities. The Group has appealed against the orders at appropriate levels. The Group has been successful in obtaining favourable orders in few cases. The tax authorities have appealed against these orders. Based on assessment of these claims, the management is confident of ultimate favourable outcome. The amount involved in these claims are US\$ 13.15 million (31 March 2021: US\$ 11.78 million).
- b) Greenko Budhil Hydro Power Private Limited (Greenko Budhil), one of the subsidiaries of the Company, had received demand notices aggregating to US\$ 6.36 million (31 March 2021: US\$6.36 million) from various government authorities in relation to duty drawback and common costs for transmission lines for the period November 2011 to May 2012. Greenko Budhil has contested these demands at various levels. Pending disposal of these matters, based on internal assessment and based on legal opinion, the Group is confident of favourable outcomes in these matters. Further, the promoters/erstwhile seller-shareholders are responsible and obligated to the Group to settle these disputes.

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

- c) Himachal Sorang Power Private Limited (HSPPL) has entered into a Bulk Power Transmission Agreement (BPTA) with Power Grid Corporation of India Limited (PGCIL) for power transmission. HSPPL would bear its share of applicable transmission charges as agreed in consideration for long term open access. Due to force majeure events in the year 2015, the commercial operations were not started by HSPPL. PGCIL has filed a petition on 14 February 2017, with the Central Electrical Regulatory Commission ("CERC") for recovery of transmission charges amounting to US\$3.94 million as on 31 January 2017 towards its claim for transmission charges and CERC vide its order dated 26 September 2017 held that PGCIL is entitled to recover its demand. HSPPL filed an appeal before Appellate Tribunal for Electricity (APTEL) against CERC order dated 26 September 2017 and the matter is pending with APTEL. During the pendency of the said Appeal, PGCIL raised a revised demand of US\$ 9.00 million vide its letter / notice dated 15 November 2018. Aggrieved by the said letter /notice of PGCIL, HSPL filed an application in the appeal seeking stay of main order dated 26 September 2017 and seeking directions to PGCIL not take any coercive steps against HSPL. APTEL vide orders dated 30 November 2018, 18 December 2018 and 21 December 2018 directed PGCIL not to take any coercive steps against HSPL until further orders. Appeal is pending for hearing before APTEL.

HSPPL has given a letter to PGCIL for relinquishment of BPTA on 21 October 2017 and the relinquishment was granted on 31 October 2017. Further PGCIL has issued a notice on 30 December 2019 for demanding US\$ 5.94 million towards its claim for relinquishment charges. HSPPL has filed the appeal with APTEL and the matter is pending with APTEL. In similar appeal filed by another long-term customer of PGCIL, APTEL vide its order dated 28 February 2020 held that invoices would be raised only after determination of the petition before the CERC and notice given to appellant should not consider as invoice/demand. Based on the facts and events and based on the legal opinion of an independent counsel, the management believes that the Group has a strong case and outflow of economic resources is not probable in both the cases with PGCIL.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

13. Commitments and contingencies (continued)

- d) Himachal Sorang Power Private Limited (“HSPPL”) is party to an arbitration proceeding instituted at the Singapore International Arbitration Centre (“SIAC”) by NCC Infrastructure Holdings Limited (“NCCIHL”) against HSPPL and TAQA India Power Ventures Private Limited (“TAQA”) (sellers of HSPPL to Greenko). The arbitration proceedings pertain to disputes between TAQA, NCCIHL, NCC Limited (“NCC”) and HSPPL while HSPPL was under TAQA, and is connected to certain generation incentive claim by NCCIHL under provisions of Share Purchase Agreement that TAQA had executed, inter-alia with NCCIHL for purchase of HSPPL by TAQA from NCCIHL and others (“Share Purchase Agreement”). The present arbitration is connected to a previous SIAC arbitration (“First Arbitration”) that existed among TAQA, NCCIHL, NCC and HSPPL and which was decided by the SIAC tribunal (“First Arbitral Tribunal”) predominantly in favour of HSPPL / TAQA (“First Arbitration Award”) subsequent to acquisition of HSPPL by Greenko Group.

Based on few underlying assumptions of First Arbitration Award (which underlying assumptions have itself been remitted back to the First Arbitral Tribunal pursuant to a Singapore Court of Appeals judgment in October 2020), NCCIHL filed the ongoing arbitration for incentive payment as per the Share Purchase Agreement with TAQA (“Second Arbitration”). The hearing in the Second Arbitration has been concluded and a final Award is awaited. The management of HSPPL is of the opinion that it has no exposure to NCCIHL since the Second Arbitration is connected to First Arbitration, inter-alia TAQA and NCCIHL, NCCIHL has specifically waived any claims against HSPPL, and HSPPL has indemnity protection from TAQA under Securities Purchase Agreement executed between TAQA and Greenko Group for acquisition of HSPPL.

- e) The Group has acquired private lands for setting up wind and solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Group has not received any demand for additional payment and these cases are pending at District Court/High Court Level. The management believes that the Group have a strong case on merits and outflow of economic resources is not probable.
- f) In addition to matters mentioned above, the Group is subject to litigations and claims which have arisen in the ordinary course of business. Based on facts, hearings, evidences and based on legal assessments, the management believes that outflow of economic resources are not probable against these litigations and claims.
- g) **Capital commitments**

Capital expenditure contracted for as at 30 September 2021 but not yet incurred aggregated to US\$ 938.54 million (31 March 2021: US\$ 681.96 million).

14. Other disputes**(a) Receivables from APDISCOM**

During the financial year 2019-20, the Government of Andhra Pradesh vide Government Order (GO) dated 1 July 2019 constituted a High Level Negotiating Committee (“HLNC”) for review and negotiation of tariff for all wind and solar energy projects in the state of Andhra Pradesh. The Southern Power Distribution Company of Andhra Pradesh Limited (“APDISCOM”) had issued unilateral notices on 12 July 2019 for all wind and solar companies having Power Purchase Agreements (“PPAs”) with APDISCOM for arbitrary reduction of PPA tariffs to Rs. 2.44 per kwh from original agreed tariffs in the range of Rs. 4.70 to Rs. 4.84 per unit. Indian Wind Power Association (“IWPA”) and several Wind and Solar Generating companies including certain subsidiaries of the Group having PPAs with APDISCOM had approached the Hon’ble High Court of Andhra Pradesh (“AP HC”), which on 24 September 2019, set aside the said APDISCOM notices and also quashed the GO for constitution of the HLNC.

In addition to the above, APDISCOM had earlier filed a petition (“OP 17/19”) before the Andhra Pradesh Electricity Regulatory Commission (“APERC”) seeking revision of certain normative parameters used in determination of wind feed-in tariffs and redetermination of tariff for existing PPAs at that time. Against these petitions, IWPA and several wind generating companies filed writ petition before the AP HC. The Single Judge of AP HC vide its order dated 24 September 2019, as an interim measure, instructed APDISCOM to honour pending and future bills at an interim rate of Rs. 2.44 per unit (as against the billed rate based on original tariff rate) and until the matter is resolved by the APERC and directed the APERC to conclude the hearings in OP 17/19 within 6 months period from September 2019. Against this, IWPA and power generating companies have filed Writ Appeals before the Division Bench of the AP HC challenging the jurisdiction of APERC in entertaining OP 17/19. Further, IWPA and power generating companies have filed another writ appeal before the Division Bench of the AP HC challenging the directions of Single Judge of AP HC to APDISCOM for releasing the monies at interim rate of Rs. 2.44 per unit. The above Writ Appeals were partly heard in March 2020 as AP HC heard only urgent matters during COVID pandemic.

Therefore, the power generating companies including Group have filed petitions under Article 139 of the Constitution of India before the Hon’ble Supreme Court of India (“Supreme Court”) seeking transfer of the proceedings pending before the Division Bench of AP HC, and for adjudication of the same by the Supreme Court. Subsequently, the Supreme Court, whilst passing the Order dated 10 February 2021, in the transfer petitions, passed directions to the AP HC to proceed with the writ appeals for hearing.

While the transfer petitions were pending in the Supreme Court, the AP HC heard interim applications in Writ Appeals regarding payment related matters on 9 April 2021, 22 April 2021 and commenced the hearings on 2 August 2021. Multiple hearings were taken place post 2 August 2021 and AP HC has scheduled the final hearing on 29 December 2021.

Based on various other favourable judgements and based on legal advice, the management believes that final order would be in its favour and hence no adjustment has been made in the condensed consolidated interim financial statements. Accordingly, the Group continues to recognise the revenue from supply of power to APDISCOM at the original rate as per PPA and has determined that the related trade receivables are currently fully recoverable. Total trade receivable balance outstanding from APDISCOM as on 30 September 2021 is US\$ 352.53 million, of which US\$ 220.66 million are under litigation. Also refer to note 7 of trade receivables.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

14. Other disputes (continued)

(b) Receivables from GUVNL

Certain subsidiaries of the Group (“Wind SPVs”) had entered into long term power purchase agreement (“PPA”) with Gujarat Urja Vikas Nigam Limited (“GUVNL”). These Wind SPVs have been supplying power under PPAs to GUVNL and collecting dues on a timely manner up to 31 October 2018.

However, GUVNL has held back payments for the billing period from 01 November 2018 till 14 October 2019 to the Wind SPVs on account of certain outstanding dues by other Infrastructure Leasing and Financial Services Limited group entities (“IL&FS Group”) to GEB Provident Fund Trust. GUVNL is the administrator of GEB Provident Fund Trust. These Wind SPVs were part of IL&FS Group upto 14 October 2019. The total dues outstanding for the period from 01 November 2018 to 14 October 2019 is US\$ 24.46 million. These Wind SPVs entities were neither the guarantor nor the party to the transactions between other IL&FS Group entities and GEB Provident Fund Trust since beginning. Orix Corporation, Japan has acquired 51% stake of these entities on 15 October 2019 from IL&FS Group (Prior to 15 October 2019, Orix Corporation has held 49% shareholding). GUVNL has started releasing payments for supply of power from 15 October 2019 onwards i.e. from the date of ceasing to be part of IL&FS Group.

These Wind SPVs, as part of IL&FS Group, had filed applications with Gujarat Electricity Regulatory Commission (“GERC”) on 8 April 2019 to recover the outstanding dues withheld by GUVNL. However, in the case of one of the SPVs, GERC vide its order dated 8 July 2019 dismissed the application filed on the grounds that GERC cannot entertain the application in view of the pending proceedings before National Company Law Appellate Tribunal (“NCLAT”), being the regulator for Insolvency and Bankruptcy Code (“IBC”) proceeding of IL&FS Group and directed the applicant to approach NCLAT. These Wind SPVs accordingly preferred applications with NCLAT on 27 August 2019 stating that any set off of the dues by GUVNL is in violation of an earlier interim order by NCLAT on 15 October 2018 in relation to the IL&FS Group pending proceedings. The NCLAT vide order dated 26 September 2019, had directed GUVNL to release the amounts due to these Wind SPVs by 23 October 2019. Meanwhile, ORIX Corporation has acquired 51% shareholding of these Wind SPVs on 15 October 2019 from IL&FS Group. Since the applications by these Wind SPVs filed at NCLAT were prior to the Orix Corporation acquisition, in view of the subsequent development the NCLAT has on 23 October 2019, allowed the withdrawal of the said application as these entities ceased to be part of IL&FS Group from 15 October 2019 with the liberty to approach the appropriate forum as per law. Accordingly, an appeal has been filed by one of the Wind SPV with Appellate Tribunal For Electricity (APTEL) in New Delhi on 9 December 2019 against the GERC order dated 8 July 2019 to recover the outstanding dues withheld by GUVNL. The subsequent hearings at APTEL and GERC are in progress.

Based on the Group’s assessment and legal view obtained in this matter, considering the fact that there is no basis for GUVNL not to comply with its contractual obligation to pay the bills for supply of power and legal grounds referred by NCLAT vide its order dated 26 September 2019, management is the view that amounts unilaterally withheld by GUVNL are legally not tenable and is confident of obtaining a favourable order for recovery of the outstanding amounts.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****15. Related-party transactions**

- a) Cambourne Investment Pte Limited, an affiliate of GIC Private Limited (“GIC”) is considered as the Holding Company of the Group. Abu Dhabi Investment Authority (“ADIA”) and Orix Corporation, Japan held the shareholding of 13.93% and 21.55%, respectively as on 30 September 2021. Further, Greenko Ventures Limited, GVL Management Services Limited and Horizontes Capital Partners Limited, in which Anil Kumar Chalamalasetty and Mahesh Kolli (Non-Executive Directors) have a beneficial interest, holds 8.98% shareholding of the Company as at 30 September 2021.
- b) The following transactions were carried out with related parties:

Key management compensation

	30 September 2021	30 September 2020
Short-term employee benefits		
Mr. Om Prakash Bhatt	0.13	0.12
Mr. Kunnasagaran Chinniah	0.04	0.04
Mr. Nassereddin Mukhtar Munjee	0.04	0.04
Mr. Mark Gainsborough	0.04	-
Total short-term employee benefits	0.25	0.20

Share-based payments

	30 September 2021	30 September 2020
Short-term employee benefits		
GVL Management Services Limited	-	3.66
	-	3.66

- c) **Equity-accounted investees**

	30 September 2021	31 March 2021
Advances given to Equity-accounted investees	3.63	1.72
Amounts refunded by Equity-accounted investees	0.04	39.54
Amount receivable	28.32	24.99
Amount payable	1.26	1.27

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****16. Fair value measurement of financial instruments****Fair value hierarchy**

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

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

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

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

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

30 September 2021:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value				
Other investments	0.09	-	0.34	0.43
Derivative financial assets	-	371.81	-	371.81
Financial liabilities:				
Measured at amortised cost				
Fixed rate borrowings (including current)	2,985.33	1,151.45	-	4,136.78
Floating rate borrowings (including current)	-	800.93	-	800.93
Other financial liabilities	-	-	270.16	270.16
Measured at fair value				
Contingent consideration payable	-	-	27.10	27.10

31 March 2021:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value				
Other investments	0.07	-	0.34	0.41
Derivative financial assets	-	285.82	-	285.82
Financial liabilities:				
Measured at amortised cost				
Fixed rate borrowings (including current)	2,985.33	1,151.61	-	4,136.94
Floating rate borrowings (including current)	-	800.93	-	800.93
Other financial liabilities	-	-	221.70	221.70
Measured at fair value				
Contingent consideration payable	-	-	27.10	27.10

The carrying amounts reported in the condensed consolidated statement of financial position for cash and cash equivalents, bank deposits, trade and other receivables, trade and other payables approximate their respective fair values.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****16. Fair value measurement of financial instruments (continued)**

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

The valuation techniques used for financial instruments categorised in Level 1,2,3 are described below:

Derivative financial assets

The Group entered into forward options and contracts to mitigate the foreign currency risks for debt investments in India. The derivative asset associated with these contracts are recognised at fair value at inception. Subsequent changes to the fair value of the financial asset from the date of inception till 30 September 2021, have been charged to profit or loss.

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

The following table gives details in respect of the notional amount (instruments underlying amount) of outstanding foreign exchange derivative contracts.

Instrument	Currency	Cross currency	Notional amount as at 30 September 2021	Notional amount as at 31 March 2021	Fair value as at 30 September 2021	Fair value as at 31 March 2021
Forward contracts and options	US\$	INR	2,670.00	2,120.00	371.81	285.82

Other investments:

The fair values of investments in mutual fund units (debt instruments) is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial liabilities:

Other financial liabilities consists of premium payable on forward contracts and options. Financial liability towards premium payable is initially measured at fair value and are subsequently measured at amortised cost using the effective interest method. Contractual undiscounted cash flows and maturities of premium payables are disclosed in note 17.3.

Borrowings:

The fair value of long-term borrowings having floating rate of interest approximate the carrying amount of those loans as there was no significant change in the Group's own credit risk during the current period/year.

The fair value of Senior notes for disclosure purpose is estimated using bond valuation method and the yield curve of the instrument listed on Singapore Stock Exchange (Refer note 11.5). The valuation model considers the present value of expected payment, discounted using risk-adjusted discount rate based on market yield curve.

Contingent consideration payable

The contingent consideration on account of business combination are valued considering the present value of the expected future payments, discounted using a risk –adjusted discount rate.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

17. Financial risk management

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

17.1 Market risk

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

a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The operations of the Group are conducted in functional currency of its subsidiaries. The Indian entities having INR as functional currency has no significant transactions in currency other than INR. The Group's foreign exchange risk arises from debt investments made in Indian operations. Consequently the Group use derivative financial instruments such as foreign exchange options and forward contracts to mitigate the risk of changes in foreign currency exchange rates. Refer note 16 for derivative financial instruments.

The translation of INR subsidiaries into US\$ for the consolidated financial statements of Group is only for the purpose of converting the financial statements into presentation currency and the currency differences are taken to OCI. This does not impact the Group's cash flow and does not expose the Group to foreign exchange risk.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Group has no significant variable interest-bearing assets other than investment in bank deposits, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group considers the impact of fair value interest rate risk on investments in bank deposits are not material. The Group's interest rate risk arises from borrowings. A significant portion the Group's borrowing carries fixed rate of interest, however, as these debts are carried at amortised cost, there is no fair value interest rate risk to the Group. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest rate profile of the Group's interest bearing borrowings are given in note 11.

A reasonably possible change of variable interest rates on borrowings by 50 basis points higher or lower, the post-tax profit/loss for the period would have been lower or higher by US\$3.87 million. This analysis assumes that all other variables remain constant.

17. Financial risk management (continued)**17.2 Credit risk**

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily for trade receivables, and from its financing activities, including deposits with banks, trade and other financial assets. The carrying amount's of financial assets represent the maximum credit exposure.

Trade receivables

The Group's credit risk arises from trade receivable balances on sales to customers. In respect of trade receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty (non-government) or any group of counterparties having similar characteristics. Significant portion of the Group's revenue is derived from sales to state owned utilities and corporations under long-term power purchase agreements and hence, potential risk of default by the State utilities is remote. The Group also has a smaller portion of trade receivables due from private parties. The Group assesses the credit quality of the customers based on its financial position and other publicly available information. Refer Note 7 for credit risk and other information in respect of trade receivables.

Other financial assets/ derivative assets

Financial instruments that are subject to concentrations of credit risk, principally consist of cash and cash equivalents, bank deposits, derivative financial assets, investments, receivables from equity accounted investees and security deposits.

Credit risk on cash and cash equivalents, bank balances, bank deposits and derivative assets are limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Given the high credit ratings of these banks and financial institution, the Group does not expect these banks and financial institutions to fail in meeting their obligations and hence the expected credit loss is not material.

Credit risk arising from investment in mutual funds (debt instruments) is limited and there is no collateral held against these because the counterparties are recognised financial institutions with high credit ratings assigned by the various credit rating agencies. The investments in mutual funds are valued at market price prevailing at reporting date which represents the fair value.

The fair value of derivative instruments are accounted for based on the difference between the contractual price and the current market price. The fair value of these derivative instruments are the indicative amounts that the Group is expected to receive or pay to terminate the swap counterparties at the balance sheet date.

17.3 Liquidity risk

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

In respect of its existing operations, the Group funds its activities primarily through long-term loans secured against each power plant. The Group's objective in relation to its existing operating business is to maintain sufficient funding to allow the plants to operate at an optimal level.

The Group intends to be acquisitive in the immediate future. In respect of each acquisition, the Group prepares a model to evaluate the necessary funding required. The Group's strategy is to primarily fund such acquisitions by assuming debt in the acquired companies. In relation to the payment towards equity component of companies to be acquired, the Group ordinarily seeks to fund this by the injection of external funds by debt or equity.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****17. Financial risk management (continued)****17.3 Liquidity risk (continued)**

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

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

As at 30 September 2021:

	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	4,824.18	643.81	552.45	2,811.64	860.07	4,867.97
- Interest	-	292.68	284.81	556.85	340.50	1,474.84
Trade and other payables*	247.23	242.75	0.04	4.44	-	247.23
Lease liabilities	15.43	2.42	2.83	8.48	11.28	25.01
Other financial liabilities	270.16	70.65	75.46	140.62	-	286.73
Total	5,357.00	1,252.31	915.59	3,522.03	1,211.85	6,901.78

* Trade and other payables that are not financial liabilities (deferred income) amounting to US\$9.01 million are not included in maturity profile of contractual cashflows.

As at 31 March 2021:

	Carrying value	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Borrowings						
- Principal	4,846.12	439.69	723.39	2,212.00	1,523.87	4,898.95
- Interest	-	327.14	303.65	646.65	459.34	1,736.78
Trade and other payables*	288.28	272.69	0.03	15.56	-	288.28
Lease liabilities	7.18	1.32	1.01	3.03	4.20	9.56
Other financial liabilities	221.70	64.29	64.08	102.50	7.95	238.82
Total	5,363.28	1,105.13	1,092.16	2,979.74	1,995.36	7,172.39

* Trade and other payables that are not financial liabilities (deferred income) amounting to US\$9.26 million are not included in maturity profile of contractual cashflows.

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

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

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

18. Presentation of 'EBITDA' on the statement of profit or loss

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

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

19. Impact of COVID-19:

In preparation of the financial statements, the Group has considered the possible effects that may result from COVID-19 outbreak and more severe outbreak of the second wave in recent months. The Power plants of the Group are operating and generation of energy is normal. Further, the Ministry of New and Renewable Energy (MNRE) has issued directives to all State DISCOM's to adhere to the status of "Must Run" with respect to Renewable energy generating companies and given time extension for Scheduled Commissioning Date for projects under construction. The Group has not experienced any material impact on collection of its receivables from its customers due to the pandemic apart from receivables from DISCOMs which are under litigations. The management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of the unprecedented situation.

20. Subsequent events

- a) There have been no material events after the period end which would require adjustments to the condensed consolidated interim financial statements for the period ended 30 September 2021.
- b) On 13 December 2021, Greenko Power II Limited ("GPIIL"), raised funds to the tune of US\$1,000.00 million by issuing 4.30% US\$ Senior Notes due 2028 (the Senior Notes) from institutional investors for repayment of existing Rupee debt of certain Indian operating subsidiaries. The interest on the Senior Notes is payable on a semi-annual basis in arrears along with mandatory amortisation redemption on semi-annual basis. These Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). The Senior Notes are secured by corporate guarantee of the Company.
- c) The Group has held 49% shareholding in SEI Renewable Energy Private Limited, SEI Jyotishwaroop Power Private Limited and SEI Ravikiran Energy Private Limited ("MP Entities") as at 30 September 2021. The Group has obtained 51% of the outstanding shares of these MP Entities and obtained the control on 17 November 2021. These MP Entities are operating entities with 90 MW solar capacity.
- d) The events on the ongoing litigation with APDISCOM post the period end have been disclosed in Note 14(a).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with, and is qualified in its entirety by reference to, (i) the Condensed Consolidated Interim Financial Statements and the related notes thereto of Greenko Energy Holdings ("Parent Guarantor") and (ii) the Condensed Combined Interim Financial Statements and the related notes thereto of Greenko Dutch B.V. ("Restricted Group"), Greenko Investment Company ("Restricted Group II"), Greenko Solar (Mauritius) Limited ("Restricted Group III") and Greenko Power II Limited ("Restricted Group IV") (Restricted Group(s)).

Overview

We are one of the leading independent owners and operators of clean energy projects in India.

As of 30 September 2021, our portfolio of assets consisted of (i) 138 operational projects with a combined installed capacity of 5,187.6 MW, comprising 23 operational hydropower projects with a total installed capacity of 489.4 MW, 58 operational wind energy projects with a total installed capacity of 3,172.0 MW, 50 operational solar energy projects with a total installed capacity of 1,447.9 MW and seven operational thermal projects (which include biomass and gas) with a total installed capacity of 78.3 MW, (ii) four projects under construction (excluding the two IRESPs) with a total licensed capacity of 206.5 MW, comprising one wind project with a licensed capacity of 20.0 MW and three hydropower projects with a total licensed capacity of 186.5 MW, and (iii) eight hydropower projects under active development with a total licensed capacity of 417.0 MW.

In October 2021, we commissioned the commercial operations of a hydropower project with an operational capacity of 100 MW.

Factors Affecting our Results of Operations

Impact of Weather and Seasonality

Weather conditions can have a significant effect on our power generating activities. The profitability of a wind energy project is directly correlated with wind conditions at the project site. Variations in wind conditions occur as a result of fluctuations in wind currents on a daily, monthly and seasonal basis and, over the long term, as a result of more general changes in climate. In particular, wind conditions are generally tied to the monsoon season in India and are impacted by the strength of each particular monsoon season. The monsoon season in India runs from June to September and we generate approximately 60.0% of our annual production of wind power energy during this period. The wind performance of wind energy projects in different areas of India are correlated to a certain extent, as at times weather patterns across the whole of India are likely to have an influence on wind patterns and, consequently, on revenues generated by wind energy projects across the whole of India.

Hydroelectric power generation is dependent on the amount of rainfall, snow melt and glacier melt in the regions in which our hydropower projects are located, which vary considerably from quarter to quarter and from year to year. Our hydropower projects in the Himachal Pradesh, Uttarakhand and Sikkim northern clusters are dependent on rainfall, snow melt and glacier melt. Our hydropower projects in the Karnataka southern cluster are situated on rivers that are primarily monsoon-dependent and are expected to run at full capacity during the four-month wet season, which is usually from June to September, and generate negligible amounts of power during the remaining period of the year. Any reduction in seasonal rainfall, snow melt or glacier melt or change from the expected timing could cause our hydropower projects to run at a reduced capacity and therefore produce less electricity, impacting our profitability. Conversely, if hydrological conditions are such that too much rainfall occurs at any one time, water may flow too quickly and at volumes in excess of a particular hydropower project's designated flood levels, which may result in shutdowns. Where rainfall levels are in the normal range in terms of overall quantum for the year but a substantial portion is concentrated for a shorter period of time, our hydropower projects will generate less power in the course of the year and consequently, this will impact the revenues derived from our hydropower projects. The performance of each of our projects is measured by its average plant load factor ("PLF"), which is the project's actual generation output as a percentage of its installed capacity over a period of time.

Unlike the resources for our wind energy projects and hydropower projects which are concentrated in specific regions and sensitive to the monsoon season, solar power generation is viable across India throughout most of the year as India ranks among the highest irradiation-receiving countries in the world. The energy output performance of our solar energy projects is dependent in part on the amount of sunlight and the ambient temperatures. As a result, our revenue in the past has been impacted by rains and sunlight. Our solar energy output decreases in monsoon seasons due to less sunlight whereas it increases during winter and summer months. Typically, our revenue is the lowest from June to September and highest from January to March of any given fiscal year.

We are also subject to the effects of the weather on demand for electricity in India and consequently, our results of operations are affected by variations in general weather conditions. Generally, demand for electricity peaks in winter and summer. Typically, when winters are warmer than expected and summers are cooler than expected, demand for energy is lower than forecasted. Significant variations from normal weather where our projects are located could have a material impact on our results of operations to the extent we are not protected from exposures to variation in demand through long-term contracts.

Significant Recent Growth

We have significantly expanded our installed base of operational projects. In recent years, we have made a number of acquisitions to increase the total generating capacity of our projects, with a focus on acquiring operational and advanced construction projects near our existing and upcoming project clusters. We have also developed and are continuing to develop a number of projects. Our rapid growth makes it difficult to compare our consolidated results from period to period.

The following table sets forth the capacity of our operational projects as of 30 September 2021 and 30 September 2020:

	As of 30 September 2021 Capacity (MW)	As of 30 September 2020 Capacity (MW)
Operational projects	5,187.6*	4,224.1

* excluding stake in Teesta Urja Limited.

On February 2, 2021, Greenko Power Projects (Mauritius) Limited (“GPPML”) completed an investment in Teesta Urja Limited (“TUL”) of US\$111.8 million by way of acquiring 100% shares of Asian Genco TUL Pte. Ltd, which owns 30.16% in TUL. TUL owns and operates a 1,200 MW hydropower project in the state of Sikkim. The share of profit/(loss) from TUL has been accounted as an equity accounted investee from February 2, 2021. During August 2021 we have acquired an additional shareholding of 4.15% interest in TUL from certain Indian shareholders.

On January 8, 2021, GPPML entered into a definitive agreement with Orix Corporation (“Orix”) to acquire Orix’s wind asset portfolio, including 100% interest in the following companies (the “Orix Wind SPVs”): Wind Urja India Private Limited, Ratedi Wind Power Private Limited, Tadas Wind Energy Private Limited, Lalpur Wind Energy Private Limited, Khandke Wind Energy Private Limited, Etesian Urja Limited, Kaze Energy Limited and OP&E Management Limited. The portfolio consists of multiple wind projects with a capacity of 873.5 MW across seven states, of which 14.4 MW is yet to be commissioned (the “Orix Acquisition”). The acquisition was completed on March 5, 2021. The results of the Orix Wind SPVs have been included in our results since March 5, 2021, the date of the Orix Acquisition.

In 2016, as part of the SunEdison assets acquisition, we acquired 49% shareholding in SEI Solarvana Power Private Limited, SEI Sooraj Renewable Energy Private Limited and SEI Sunshine Power Private Limited (collectively referred as “March 2021 SEI Solar Entities”). These entities are operating entities with a capacity of 90 MW. On March 31, 2021, we acquired the remaining 51% shareholding of these March 2021 SEI Solar Entities.

In the six months ended September 30, 2021 and September 30, 2020, we generated 7,433.6 GWh, 6,148.3 GWh of power, respectively. The six months ended September 30, 2021 includes the full period of operations of assets acquired in the Orix Acquisition and March 2021 SEI Solar Entities.

As our business has grown, we have increased our expenditures on general and administrative functions necessary to support this growth and support our operations. As part of our efforts to reduce risks in our business, although we currently outsource the operations and maintenance of our OEM turbines to suppliers, we are also actively developing in-house skills concurrently to oversee and back-up the operations and maintenance of our wind energy turbines, a model which is different from that generally adopted by our competitors. As of March 31, 2021, the operation and maintenance of approximately 610.5 MW of our wind energy projects is being undertaken in-house.

A key driver of our results of operations is our ability to bring new projects into commercial operation successfully. As of September 30, 2021, we had 138 operational projects with a combined installed capacity of 5,187.6 MW and our under-construction projects (excluding the two IRESPs) include interests in three hydropower projects and one wind energy project having a combined licensed capacity of 206.5 MW. We successfully commissioned one hydropower project having 100 MW operational capacity in the month of October 2021. We expect the remaining projects to become operational over the next 48 months. Our under-active development projects include interests in eight hydropower projects having a combined licensed capacity of 417.0 MW. We are also constructing two IRESPs, the pinnapuram pumped storage project and the saundatti pumped storage project, with a total pumped storage of 2,460.0 MW equivalent to 22.1 GWh and with national grid connectivity. Our operating results will, in part, depend upon our ability to transition these projects into commercial operations in accordance with our existing construction budgets and schedules.

Operation of Our Projects

Our results of operations are materially influenced by the degree to which we operate our projects in order to achieve maximum generation volumes. We intend to achieve growth by improving the availability and capacity of our projects while minimizing planned and unplanned project downtime. The number and length of planned outages, undertaken in order to perform necessary inspections and testing to comply with industry regulations and to permit us to carry out any maintenance activities, can impact operating results. When possible, we seek to schedule the timing of planned outages to coincide with periods of relatively low demand for power at the relevant project. Likewise, unplanned outages can negatively affect our operating results, even if such outages are covered by insurance.

In addition, when we purchase turbines, our contracts with suppliers typically include comprehensive O&M service for a period of five to seven years (with free service, in some cases, for the first two years), a warranty in respect of the turbines for a minimum period of two years from the earlier of the date of commissioning or the date of supply, a power curve guarantee which assures optimum operational performance of the turbines as well as a guaranteed performance commitment in the form of a minimum availability guarantee of 97% during the wind season which assures the turbines' availability to generate electricity for a specified percentage of the time with liquidated damages calculated by way of revenue loss subject to a cap.

Power Purchase Agreements

One of the key factors which affects our results of operations is our ability to enter into long-term PPAs for our generated power, thereby enhancing the security and long-term visibility of our revenues and limiting the impact of market price variability on our revenues. Almost all of our generated power is sold under PPAs to state utilities, industrial and commercial consumers and captive consumers. While these PPAs reduce exposure to volatility in the market price for power, the predictability of our operating results and cash flows vary by project based on the negotiated terms of these agreements, in particular the tariffs.

Our PPAs are generally structured in three ways:

- *Feed-in tariffs.* PPAs with preferential feed-in tariffs ("FITs") (including PPAs for solar projects obtained through competitive bidding) having a term of between 10 to 40 years which provide greater downside protection since the tariffs are generally fixed for the duration of the PPA. PPAs based on FITs generally do not escalate for inflation.
- *Third party direct sales.* Open access tariffs or group captive consumer or third party direct sales linked to commercial tariffs which provide potential for upside based on increases in tariffs charged by state utilities to their industrial and commercial consumers in future years. Such PPAs are generally entered into on a long-term basis, providing clear visibility of revenues for the relevant project with potential growth in revenues from better payment terms.
- *APPC tariffs.* PPAs with tariffs based on average power purchase cost of electricity ("APPC") plus RECs which offer greater upside revenue potential depending on the annual escalation in APPC tariffs and the market price of the RECs that may be sold. As the term of such PPAs is generally short, this PPA model allows us the flexibility to move to the merchant tariff model at an appropriate time with direct customers or group captive consumers, enhancing the revenue realization of the relevant projects.

We expect to sell a portion of the power generated by a number of our under-construction projects to customers in wholesale or merchant markets at prevailing market prices in the future. Merchant sales are exposed to price fluctuations. The most crucial factors affecting the performance of merchant projects are the current market prices of power and the marginal costs of production.

Our diversified mix of revenue streams balances certainty in revenue and upside potential to underpin a certain level of revenue growth. Our existing revenue model offers strong earnings visibility as a majority of our PPAs are based on FITs, with further upside from direct third party sales through our PPAs with commercial offtakers linked to commercial tariff escalations and inflation as well as future merchant sales.

Capital Expenditure Costs

Demand for qualified labor and components in our industry have increased over the last few years. This has led to increases in the costs of construction and maintenance of power generation projects. Capital expenditures are necessary to construct, maintain and/or improve the operating conditions of our projects and meet regulatory and prudential operating standards. Future costs will be highly dependent on the cost of components and availability of contractors that can perform the necessary work to construct, maintain and/or improve our projects, as well as changes in laws, rules and regulations which could require us to make capital improvements to our projects.

Exchange Rate Fluctuations

The condensed consolidated interim financial statements and the condensed combined interim financial statements are presented in U.S. dollars. However, the functional currency of our operating subsidiaries in India is Indian Rupees and they generate revenues and incur borrowings in Indian Rupees. In addition, as the equity or debt raised outside India from holding companies is always in foreign currency, presentation of currency translation issues in the profit and loss account of the Parent Guarantor and the Restricted Groups arise, which results in distorted figures of profits or losses depending upon cross-currency issues of the British pound, the Euro, the U.S. dollar and the Indian Rupee. Accordingly, the results of operations of the Parent Guarantor and the Restricted Groups will be impacted by the strength of the U.S. dollar as measured against the Indian Rupee due to translation effects. To the extent that the Indian Rupee strengthens or weakens against the U.S. dollar, the Parent Guarantor's consolidated and the Restricted Group's combined results of operations presented in U.S. dollars will improve or decline, respectively. In addition, we have made borrowings denominated in U.S. dollars in respect of which we are exposed to foreign currency exchange risk. The results of operations of the Parent Guarantor and the Restricted Groups may be affected if there is significant fluctuation among those currencies.

Government Policies and Initiatives

We depend in part on government policies and initiatives that support clean energy and enhance the economic feasibility of developing clean energy projects. For several years, India has adopted policies and subsidies actively supporting clean energy. Although we do not directly receive government subsidies, preferential tariffs for clean energy have been established in many states, ranging from approximately Rs. 2.50/kWh to Rs. 7.01/kWh. In addition, the Generation Based Incentive ("GBI") scheme, which provides an incremental incentive of Rs. 0.5/kWh capped at Rs. 10 million per MW, was reinstated in April 2013 for new wind energy projects commissioned on or by March 31, 2017. For solar energy, the tariff is generally determined through a competitive bidding process.

These regulatory initiatives have contributed to demand for clean energy generally and therefore for power generated by our clean energy projects. Regulation also contributes to the revenue received for the power our projects generate. The support for clean energy has been strong in recent years, and the Government of India has periodically reaffirmed its desire to sustain and strengthen that support with a target to achieve 175 GW and 160GW in commissioned solar and wind projects respectively by FY2022. Furthermore, at the recent 2021 United Nations Climate Change Conference, the Government of India pledged to achieve net zero by 2070. Additional regulatory requirements could contribute to increases in demand for clean energy and/or to increases in power prices. For example, the aim of the Indian Government of India is for 37% of India's energy requirements to be derived from renewable energy sources by FY2022 and the Renewable Purchase Obligation ("RPO") is one of the regulatory measures implemented to ensure the achievement of this goal.

To this end, distribution companies of a state, open access consumers and captive consumers are obligated to purchase a certain percentage of their power from renewable sources under the RPO rules. Further, the distribution companies are also obligated to purchase a certain percentage of their power from hydropower sources under the HPO rules.

A failure to continue, extend or renew the several regulatory incentives and programs currently in place in India could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Financing Requirements

Energy project development and construction are capital intensive. We incur costs and expenses for the purchase of turbines, the purchase of land, feasibility studies and construction and other development costs. As a result, our ability to access financing is crucial to our growth strategy. While we expect to fund the construction and development of our projects with a combination of cash flows from operations, debt financings and equity financings, our ability to arrange for such financing remains subject to factors affecting the macro-economic environment.

Principal Statement of Profit or Loss and Other Comprehensive Income Items

The following is a brief description of the principal line items that are included in the statement of profit or loss and other comprehensive income.

Revenue

Our revenue consists of the sale of power, the sale of renewable energy certificates (“RECs”) and GBIs.

Revenue from the sale of power is dependent on the amount of power generated by our projects and is recognized on the basis of the number of units of power exported in accordance with joint meter readings undertaken with transmission companies at the rates prevailing on the date of export as determined by the PPA, feed-in tariff policy or market rates as applicable less the wheeling and banking charges applicable, if any.

Claims for delayed payment charges and other claims, if any, are recognized as per the terms of PPAs only when there is no uncertainty associated with the collectability of such claims.

Revenues from sale of RECs and GBIs arise as part of generation and supply of electricity. Revenue from sale of RECs is recognized after registration of the project with central and state government authorities, generation of power and execution of a contract for sale through recognized energy exchanges in India. Revenue from GBI is recognized based on the number of units exported and if the eligibility criteria is met in accordance with the guidelines issued by regulatory authority for GBI Scheme. Electricity and GBI are treated as joint products, as they are generated simultaneously.

Other Operating Income

Other operating income refers to income from activities other than normal business operations and includes profit or loss on sale and disposal of assets and exchange difference in foreign currency-denominated current accounts.

Cost of Material and Power Generation Expenses

Cost of material and power generation expenses generally include the cost of fuel expenses for our thermal assets, the consumption of stores and spares, operation and maintenance expenses, insurance costs and plant-related direct expenses.

Employee Benefits Expense

Employee benefits expense comprises salaries and wages, employee welfare expenses, contributions towards defined contribution plans and a group gratuity plan with Life Insurance Corporation of India and compensation for employee absences.

Other Operating Expenses

Other operating expenses include office administration, rent, travelling expenses, professional charges, communication, internet, stationary, rates and taxes.

Impairment Loss on Trade Receivables

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

We measure loss allowances at an amount equal to lifetime expected credit losses (“ECL”), except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. For trade receivables, we apply a simplified approach in calculating ECLs. Therefore, we do not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs. An impairment analysis was performed at each reporting date using a provision matrix to measure ECLs. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, ageing, current conditions and forecasts of future economic conditions.

For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognized as impairment loss on trade receivables in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Impairment of Non-Financial Assets

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

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Excess of Our Interest in the Fair Value of Acquiree’s Assets and Liabilities over Cost

The excess of our interest in the fair value of acquiree’s assets and liabilities over cost represents value which we gained in an acquisition in accordance with IFRS 3 “Business Combination” accounting.

Depreciation and Amortization

Depreciation in value of tangible assets

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

Asset Category	Useful Life
Buildings	25-40 years
Plant and machinery	15-36 years
Furniture, fixtures and equipment	5-10 years
Vehicles	5-10 years

Amortization of intangible assets

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

Asset Category	Useful Life
Licenses	14-40 years
Development fee	25 years
PPAs	5-33 years

Finance Income

Finance income comprises of foreign exchange gain on financing activities, fair value gain on derivative contracts, interest on bank deposits and dividend from units of mutual funds.

Finance Costs

Finance cost comprises interest on borrowings, lease liabilities, fair value loss on derivative contracts and bank charges. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Finance costs also include loan restructuring costs, which represents the cost of prepayment and unamortized transaction costs on existing Indian rupee and U.S. dollar loans of certain of our subsidiaries.

Share of Profit/(Loss) from Equity-Accounted Investees

Share of profit/(loss) from equity-accounted investees represents our share of profit or loss attributable to the entities for which we hold a minority interest. Such entities include the entities we had acquired as part of the SunEdison Acquisition and stake in Teesta Urja Limited.

Income Tax Expense

Income Tax Expense represents the provision of income tax for our subsidiaries in India towards current and deferred taxes. Our Indian subsidiaries which are engaged in power generation currently benefit from a tax holiday from the standard Indian corporate tax. However, these subsidiaries are still liable to pay minimum alternate tax which is calculated on the book profits of the relevant subsidiary.

Results of Operations

Six Months Ended September 30, 2021 Compared to Six Months Ended September 30, 2020

Revenue

Our revenue increased by US\$96.5 million, or 27.0%, to US\$453.6 million in the six months ended September 30, 2021 from US\$357.1 million in the six months ended September 30, 2020. Generation increased by 20.9% to 7,433.6 GWh in the six months ended September 30, 2021 from 6,148.3 GWh in the six months ended September 30, 2020. The capacity of our operational projects increased from 4,224.1 MW as at September 30, 2020 to 5,187.6 MW as at September 30, 2021. The tables below set forth the breakdown of our revenue for the indicated periods by type and asset class.

	Six months ended 30 September 2021	Six months ended 30 September 2020
	(US\$ in millions)	
Revenue	433.1	342.9
Sale of renewable energy certificates	-	0.1
Generation Based Incentive	20.5	14.1
Installed capacity at beginning of period (MW)	4,224.1	4,224.1
Installed capacity at end of period (MW)	5,187.6	4,224.1
Generation (GWh)	7,433.6	6,148.3
	Six months ended 30 September 2021	Six months ended 30 September 2020
	(US\$ in millions)	
Revenues from wind energy projects	293.4	203.3
Revenues from hydropower projects	58.3	55.1
Revenues from solar projects	101.9	98.4
Revenues from thermal projects	0.0	0.3
Total	453.6	357.1

Revenue from wind energy projects increased by US\$90.1 million, or 44.3%, to US\$293.4 million in the six months ended September 30, 2021 compared to US\$203.3 million in the six months ended September 30, 2020. The capacity of our operational wind energy projects increased to 3,172.0 MW as at September 30, 2021 compared to 2,298.5 MW as at September 30, 2020. The increase in generation was mainly on account of the addition of wind projects that formed part of the Orix Acquisition. Our wind power projects delivered an average PLF of 32.4% in the six months ended September 30, 2021 compared to 31.7% in the six months ended September 30, 2020. The increase in PLF is mainly on account of improved conditions during the wind season. During the previous year, there was low wind conditions during the peak season.

Revenue from solar projects marginally increased by US\$3.5 million, or 3.6%, to US\$101.9 million in the six months ended September 30, 2021 compared to US\$98.4 million in the six months ended September 30, 2020. The capacity of our operational solar energy projects increased to 1,447.9 MW as at September 30, 2021 compared to 1,357.9 MW as at September 30, 2020. Our solar projects delivered an average PLF of 23.3% in the six months ended September 30, 2021 compared to 24.1% in the six months ended September 30, 2020.

Revenue from hydropower projects increased by US\$3.2 million, or 5.8%, to US\$58.3 million in the six months ended September 30, 2021 compared to US\$55.1 million in the six months ended September 30, 2021. The capacity of our operational hydropower energy projects was 489.4 MW as at September 30, 2021 and September 30, 2020. Our hydropower projects delivered an average PLF of 67.2% in the six months ended September 30, 2021 compared to 70.4% in the six months ended September 30, 2020.

In addition, we recognized GBIs (Rs. 0.50/kWh capped at Rs. 10 million/MW) for our wind energy projects pursuant to the GBI scheme which was reinstated in April 2013 and recorded revenue of US\$20.5 million in the six months ended September 30, 2021 compared to US\$14.1 million in the four months ended September 30, 2020. Revenue from GBI was in line with generation from wind projects.

Our sales of REC certificates were US\$0.1 million in the six months ended September 30, 2020. We did not have sales of REC certificates in the six months ended September 30, 2021.

Other operating income

Other operating income was US\$0.7 million in the six months ended September 30, 2021 compared to US\$0.8 million in the six months ended September 30, 2020.

Cost of material and power generation expenses

Cost of material and power generation expenses was US\$35.0 million in the six months ended September 30, 2021 compared to US\$25.3 million in the six months ended September 30, 2020. The increase in cost of sales was mainly on account of the increase in capacity. However, cost of material and power generation expenses was 7.7% of revenue in the six months ended September 30, 2021 compared to 7.1% of revenue in the six months ended September 30, 2020.

Employee benefits expense

Employee benefits expense was US\$14.3 million in the six months ended September 30, 2021 compared to US\$10.8 million in the six months ended September 30, 2020. The largest component of employee benefits expense was salaries and wages, and the increase in salaries was on account of the increase in headcount.

Other operating expenses

Other operating expenses was US\$18.9 million in the six months ended September 30, 2021 compared to US\$12.6 million in the six months ended September 30, 2020. Increase in other operating expenses is in line with increase in operations.

Impairment loss on trade receivables

Impairment loss on trade receivables was US\$12.2 million in the six months ended September 30, 2021 compared to US\$7.4 million in the six months ended September 30, 2020. Increase in allowance for expected credit loss is due to an increase in delayed receivables primarily from Southern Power Distribution Company of Andhra Pradesh ("APDISCOM").

Depreciation and amortization

Depreciation and amortization was US\$115.9 million in the six months ended September 30, 2021 compared to US\$95.7 million in the six months ended September 30, 2020 and the increase in costs was mainly on account of the increase in capacity.

Finance income

Finance income was US\$11.4 million in the six months ended September 30, 2021 compared to US\$9.9 million in the six months ended September 30, 2020, which primarily includes interest on bank deposits and fair value gain on derivative contracts.

Finance cost

Finance costs were US\$163.0 million in the six months ended September 30, 2021 compared to US\$161.5 million in the six months ended September 30, 2020, which was primarily attributable to interest on our borrowings. We capitalized the borrowing costs of US\$36.8 million in the six months ended September 30, 2021.

Share of profit/(loss) from equity-accounted investees

We recognized share of profit from equity-accounted investees of US\$15.3 million in the six months ended September 30, 2021 attributable to share of profit pertaining to Teesta Urja Limited.

Profit before taxation

For the reasons discussed above, we had profit before tax of US\$121.7 million in the six months ended September 30, 2021 compared to profit before tax of US\$54.5 million in the six months ended September 30, 2020.

Income Tax Expense

Income Tax Expense was US\$40.2 million in the six months ended September 30, 2021 compared to US\$34.4 million in the six months ended September 30, 2020.

Our subsidiaries in India which are engaged in power generation benefited from a tax holiday from the standard Indian corporate tax in the six months ended September 30, 2021. The tax holiday period under the Indian Income Tax Act is for 10 consecutive tax assessment years out of a total of 15 consecutive tax assessment years from the tax assessment year in which commercial operations commenced. However, these companies are still liable for Minimum Alternate Tax which is calculated on the book profits of the relevant entity, the rate of which was 15% in the six months ended September 30, 2021 plus applicable surcharge and cess and 15% in the six months ended September 30, 2020 plus applicable surcharge and cess.

Profit for the year

As a result of the foregoing, we had loss of US\$81.5 million in the six months ended September 30, 2021 compared to profit of US\$20.3 million in the six months ended September 30, 2020.

Overview

As of September 30, 2021, our consolidated bank deposits were US\$186.7 million and our cash and cash equivalents were US\$298.3 million. Bank deposits aggregating US\$88.4 million were restricted as of September 30, 2021.

Our principal financing requirements are primarily for:

- construction and development of new projects;
- maintenance and operation of projects;
- funding our working capital needs;
- potential investments in new acquisitions; and
- general corporate purposes.

We fund our operations and capital requirements primarily through cash flows from operations and borrowings under credit facilities from banks and other financial institutions, issuances of debt securities as well as equity raising at the Parent Guarantor level. We believe that our credit facilities, together with cash generated from our operations, cash from offerings of debt securities and cash from investment by our shareholders will be sufficient to finance our working capital needs for the next 12 months. We expect that cash flow from operations and our credit facilities will continue to be our principal sources of cash in the medium term. However, there can be no assurance that additional financing will be available, or if available, that it will be available on terms acceptable to us.

We evaluate our funding requirements periodically in light of our net cash flow from operating activities, the progress of our various under-construction and under-active development projects, acquisition opportunities, refinancings and market conditions. We expect to incur significant capital expenditures in upcoming years as we develop and construct new projects and expand our operations.

Cash Flows

Our summarized statement of consolidated cash flows is set forth below:

Consolidated Statement of Cash Flow Information

	Six months ended 30 September, 2021	Six months ended 30 September, 2020
	(US\$ in millions)	
Consolidated Cash Flow Statement		
Net cash from operating activities	117.8	181.2
Net cash used in investing activities	(152.5)	(92.9)
Net cash used in financing activities	(221.8)	(130.1)
Cash and cash equivalents at the beginning of the period	558.6	322.2
Cash and cash equivalents at the end of the period	298.3	282.5

Net cash from operating activities

During the six months ended September 30, 2021, the net cash from operating activities was US\$117.8 million. This net cash inflow was primarily attributable to (i) profit before tax of US\$121.7 million and positive non-cash adjustment for finance cost of US\$163.0 million and depreciation and amortization of US\$116.0 million, (ii) a decrease in working capital of US\$264.3 million, primarily comprised of an increase in trade and other receivables of US\$224.6 million and a decrease in trade and other payables of US\$38.3 million and (iii) taxes paid of US\$4.0 million.

During the six months ended September 30, 2020, the net cash from operating activities was US\$181.2 million. This net cash inflow was primarily attributable to (i) profit before tax of US\$54.7 million and positive non-cash adjustment for finance cost of US\$161.5 million and depreciation and amortization of US\$95.7 million, partially offset by finance income of US\$10.0 million, (ii) a decrease in working capital of US\$130.0 million, primarily comprised an increase in trade and other receivables of US\$129.7 million and an increase in trade and other payables of US\$0.6 million and (iii) net taxes paid of US\$1.7 million.

Net cash used in investing activities

During the six months ended September 30, 2021, our net cash used in investing activities of US\$152.5 million primarily consisted of (i) US\$147.4 million in purchase of property, plant and equipment, capital expenditure primarily relating to our projects under construction or development and settlement of project vendors, (ii) US\$6.4 million in outstanding consideration paid for acquisitions made by subsidiaries and (iii) US\$3.7 million advances given to equity accounted investee, partly offset by (a) US\$16.2 million reduction of bank deposits, and (b) interest received of US\$4.1 million.

During the six months ended September 30, 2020, our net cash used in investing activities of US\$92.9 million primarily consisted of (i) US\$48.0 million in purchase of property, plant and equipment, capital expenditure primarily relating to our projects under construction or development and settlement of project vendors, (ii) US\$18.3 million in consideration paid for acquisitions made by subsidiaries and (iii) US\$8.8 million advances given to equity accounted investee, partly offset by (a) US\$22.9 million reduction of bank deposits and (b) interest received of US\$5.5 million.

Net cash (used in)/from financing activities

During the six months ended September 30, 2021, our net cash used in financing activities of US\$221.8 million was primarily attributable to US\$303.9 million in repayment of borrowings, US\$171.4 million in interest paid and US\$37.8 million in premium paid on derivative contracts, partly offset by US\$292.3 million of proceeds from borrowings.

During the six months ended September 30, 2020, our net cash used in financing activities of US\$130.1 million was primarily attributable to US\$79.7 million in repayment of borrowings, US\$155.5 million in interest paid and US\$30.9 million in premium paid on derivative contracts, partly offset by US\$136.7 million of proceeds from borrowings.

Results of Operations — Greenko Dutch B.V. Condensed Combined Interim Financial Statements

Six months ended 30 September 2021 compared to six months ended 30 September 2020

As of 30 September 2021, the Restricted Group portfolio of assets consists of 44 operational projects with a combined installed capacity of 1,202.7 MW and the same is accounted for 23.2% of the total installed capacity of our operational projects, consisting of 19 operational hydro power projects with a total installed capacity of 260.9 MW (53.3% of the total installed capacity of our operational hydro power projects) and 8 operational wind energy projects with a total installed capacity of 490.4 MW (15.5% of the total installed capacity of our operational wind energy projects) and 17 operational solar energy projects with a total installed capacity of 451.4 MW (31.2% of total installed capacity of our operational solar energy projects).

During the six months period ended 30 September 2021, the Parent Guarantor has designated SEI Arushi Private Limited (“Arushi”) and Greenko Solar power (Dharmavaram) Limited (“Dharmavaram”) as restricted entities and added to Restricted Group from 8 April 2021. Arushi is an operating solar entity with a capacity of 30 MW and Dharmavaram is 22 MW solar entity. The results of operations of Arushi and Dharmavaram are forming part of Restricted Group from the date of designation of these entities as restricted entities.

Revenue

Revenue for the Restricted Group increased by 4.3% to US\$108.1 million in the six months ended 30 September 2021 from US\$103.7 in the six months ended 30 September 2020.

	Six months ended 30 September, 2021	Six months ended 30 September, 2020
	(US\$ in Millions)	
Revenue	108.1	103.7
Installed capacity at beginning of year (MW)	1,150.7	1,134.7
Installed capacity at end of period (MW)	1,202.7	1,150.7
Generation in (Gwh)	1,830.7	1,798.0
	Six months ended 30 September, 2021	Six months ended 30 September, 2020
	(US\$ in Millions)	
Revenues from wind energy projects	48.5	46.0
Revenues from hydro power projects	25.4	26.2
Revenues from solar energy projects	34.3	31.4

Generation in the Restricted Group increased to 1,830.7 GWh in the six months ended 30 September 2021 compared to 1,798.0 GWh in the six months ended 30 September 2020. Revenue for the wind power projects of Restricted Group increased by 5.4% to US\$48.5 million compared to US\$46.0 million in the previous year of the same period. The increase in revenue from wind energy projects is mainly on account of improved conditions during the wind season. During the previous year, there was low wind conditions during the peak season.

Revenue for the hydro power projects of Restricted Group was decreased by 3.2% to US\$25.4 million compared to US\$26.2 million in the previous year of the same period. Revenue for the solar power projects of Restricted Group was increased by 9.1% to US\$34.3 million compared to US\$31.4 million in the previous year of the same period. Increase in revenue from solar project is primarily attributable to Arushi and Dharmavaram.

Power generation expenses

Power generation expenses for the Restricted Group in the six months ended 30 September, 2021 was US\$7.2 million compared to US\$7.6 million in the six months ended 30 September, 2020. Power generation expenses in the six months ended 30 September, 2021 was 6.7% of revenue compared to 7.3% of revenue in the six months ended 30 September, 2020.

Employee benefits expense

Employee benefits expense for the Restricted Group in the six months ended 30 September, 2021 was US\$5.9 million compared to US\$3.6 million in the six months ended 30 September, 2020. The largest component of employee benefits expense was salaries and wages and the increase in salaries was on account of the increase in headcount.

Other operating expense

Other operating expenses for the Restricted Group in the six months ended 30 September, 2021 was US\$5.6 million compared to US\$3.6 million in the six months ended 30 September, 2020. Other operating expenses include office administration, office rent, travelling expenses, professional charges, communication, internet, stationery, rates and taxes. Increase in other operating expenses is in line with increase in operations.

Impairment loss on trade receivables

Impairment loss on trade receivables was US\$7.9 million during the six months ended 30 September, 2021 compared to US\$1.4 million during the six months ended 30 September 2020. Increase in allowance for expected credit loss is due to an increase in delayed receivables primarily from Southern Power Distribution Company of Andhra Pradesh (“APDISCOM”).

Depreciation and amortization

Depreciation and amortization for the Restricted Group in the six months ended 30 September, 2021 was US\$25.4 million compared to US\$24.3 million in the six months ended 30 September, 2020 and the increase in costs was mainly on account of the increase in capacity.

Finance income

Finance income for the Restricted Group in the six months ended 30 September, 2021 was US\$5.5 million compared to US\$4.1 million in the six months ended 30 September, 2020.

Finance costs

Finance costs for the Restricted Group in the six months ended 30 September, 2021 was US\$25.6 million compared to US\$32.9 million in the six months ended 30 September, 2020, which was primarily attributable to interest on borrowings. Decrease in interest is due to refinancing of Senior Notes at lower coupon rate on 29 March 2021.

Profit before income tax

Profit before income tax for the Restricted Group for the six months ended 30 September, 2021 was US\$36.2 million compared to profit of US\$35.2 million for the six months ended 30 September, 2020.

Income tax expense

Income tax expense for the Restricted Group in the six months ended 30 September, 2021 was US\$10.0 million compared to US\$12.2 million in the six months ended 30 September, 2020.

Profit for the period

As a result of the foregoing, the Restricted Group’s profit for the six months ended 30 September, 2021 was US\$26.2 million compared to profit of US\$23.0 million for the six months ended 30 September, 2020.

Liquidity and Capital Resources

Overview

As of 30 September, 2021, the Restricted Group’s bank deposits were US\$4.2 million and our cash and cash equivalents were US\$19.8 million. The Restricted Group’s principal financing requirements are primarily for:

- maintenance and operation of projects;
- funding our working capital needs; and
- general corporate purposes.

We fund the Restricted Group’s operations primarily through cash flows from operations. We believe that the cash generated from the Restricted Group’s operations will be sufficient to finance its working capital needs for the next 12 months. We expect that these sources will continue to be the Restricted Group’s principal sources of cash in the medium term. However, there can be no assurance that an additional financing/ refinancing will be available, or if available, that it will be available on terms acceptable to the Restricted Group.

Cash Flows

Our summarized statement of the Restricted Group's cash flows is set forth below:

	Six months ended 30 September, 2021	Six months ended 30 September, 2020
	(US\$ in Millions)	
Net cash generated from operating activities	36.4	47.9
Net cash from/ (used in) investing activities	5.2	(2.9)
Net cash used in financing activities	(48.9)	(43.6)
Cash and cash equivalents at the beginning of the period	26.9	17.2
Cash and cash equivalents at the end of the period	19.8	18.6

Net cash flow from operating activities

In the six months ended 30 September, 2021, the Restricted Group's net cash from operating activities of US\$36.4 million was primarily attributable to adjustments of US\$53.8 million increase in trade and other receivables, US\$1.6 million increase in trade and other payables, US\$7.9 million for impairment loss on trade receivables and US\$25.4 million for depreciation and amortization, US\$25.6 million for finance costs.

In the six months ended 30 September, 2020, the Restricted Group's net cash from operating activities of US\$47.9 million was primarily attributable to adjustments of US\$39.2 million increase in trade and other receivables, US\$1.0 million decrease in trade and other payables, US\$1.4 million for impairment loss on trade receivables and US\$24.3 million for depreciation and amortization, US\$32.9 million for finance costs.

Net cash from/ (used in) investing activities

In the six months ended 30 September, 2021, the Restricted Group's net cash from investing activities of US\$5.2 million primarily attributable to maturity of bank deposits of US\$ 10.9 million and US\$0.5 million interest received on bank deposits offset by purchase of property, plant and equipment and capital expenditure of US\$ 6.2 million.

In the six months ended 30 September, 2020, the Restricted Group's net cash used in investing activities of US\$2.9 million primarily attributable to acquisition of business, net of cash acquired of US\$20.4 million and offset partly by maturity of bank deposits of US\$ 17.9 million and US\$0.7 million interest received on bank deposits.

Net cash from/ (used in) financing activities

In the six months ended 30 September, 2021, the Restricted Group's net cash used in financing activities of US\$48.9 million was primarily attributable to US\$56.1 million in repayment of borrowings, US\$23.8 million in interest paid, US\$28.5 million in loans to entities designated as restricted entities and US\$8.3 million in premium paid on derivative contracts, partly offset by US\$67.7 million of proceeds from borrowings.

In the six months ended 30 September, 2020, the Restricted Group's net cash used in financing activities of US\$43.6 million was primarily attributable to US\$42.6 million in interest payment including premium paid on derivative contracts and repayment of borrowings from unrestricted subsidiaries of US\$1.0 million.