

Greenko Mauritius
Issuer of US\$435 Million 6.25% Senior Notes due 2023

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Financial Statements for the period April 1, 2020 to September 30, 2020

Greenko Energy Holdings (Parent Guarantor)

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GREENKO ENERGY HOLDINGS
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

GREENKO ENERGY HOLDINGS
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INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF CONDENSED CONSOLIDATED 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 as at 30 September 2020, 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 the notes to the condensed consolidated interim financial statements (the condensed consolidated interim financial statements). The directors are responsible for the preparation and 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 the 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 2020 are not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting.

KPMG
Ebène, Mauritius

Imtiaz Ajeda
Licensed by FRC

Date: 24 November 2020

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Condensed consolidated statement of financial position**

	Notes	As at 30 September 2020 (Reviewed)	As at 31 March 2020 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	6	4,087.17	4,028.20
Intangible assets and goodwill	7	1,046.32	1,045.67
Equity-accounted investees	18	0.13	-
Bank deposits	10	61.64	78.83
Derivative financial assets	20	483.18	331.95
Other receivables		23.01	20.66
		5,701.45	5,505.31
Current assets			
Inventories		6.68	5.69
Trade receivables	8	512.14	381.91
Other receivables		139.44	129.80
Other investments		0.06	0.05
Bank deposits	10	152.91	108.70
Taxation receivable		8.21	13.54
Cash and cash equivalents	9	282.53	322.22
		1,101.97	961.91
Total assets		6,803.42	6,467.22
Equity and liabilities			
Equity			
Share capital	11	1,709.28	1,709.28
Currency translation reserve		(336.95)	(424.66)
Other reserves		(2.76)	(2.76)
Retained earnings		120.37	96.97
Equity attributable to owners of the Company		1,489.94	1,378.83
Non-controlling interests		17.56	17.03
Total equity		1,507.50	1,395.86
Liabilities			
Non-current liabilities			
Retirement benefit obligations		3.49	3.43
Borrowings	12	4,149.95	4,019.55
Other financial liabilities	20	214.81	112.55
Deferred tax liabilities, net		465.23	439.58
Trade and other payables		16.95	19.28
Lease liabilities		6.56	7.22
		4,856.99	4,601.61
Current liabilities			
Borrowings	12	106.99	147.81
Trade and other payables		237.67	265.66
Other financial liabilities	20	84.92	53.50
Lease liabilities		0.76	0.69
Taxation payable		8.59	2.09
		438.93	469.75
Total liabilities		5,295.92	5,071.36
Total equity and liabilities		6,803.42	6,467.22

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 2020 (Reviewed)	Six months ended 30 September 2019 (Reviewed)
Revenue	13	357.12	415.68
Other operating income		0.81	0.93
Cost of material and power generation expenses		(25.28)	(27.14)
Employee benefits expense		(10.83)	(9.08)
Other operating expenses		(12.63)	(12.06)
Impairment loss on trade receivables		(7.44)	(8.32)
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost (Note 19)		-	10.98
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		301.75	370.99
Depreciation and amortization		(95.70)	(98.45)
Operating profit		206.05	272.54
Finance income		9.94	38.35
Finance costs		(161.48)	(218.40)
		54.51	92.49
Share of profit / (loss) from equity-accounted investees		0.13	(0.00)
Profit before tax		54.64	92.49
Income tax expense		(34.37)	(34.13)
Profit for the period		20.27	58.36
Profit for the period attributable to:			
Owners of the Company		19.74	56.49
Non – controlling interests		0.53	1.87
		20.27	58.36
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		87.71	(81.02)
Total other comprehensive income		87.71	(81.02)
Total comprehensive income		107.98	(22.66)
Total comprehensive income attributable to:			
Owners of the Company		107.45	(24.53)
Non-controlling interests		0.53	1.87
		107.98	(22.66)

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 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

Six months ended 30 September 2019:

At 1 April 2019	1,415.80	(85.97)	(2.76)	67.39	1,394.46	18.19	1,412.65
Impact on adoption of IFRS 16, net of taxes	-	-	-	(0.85)	(0.85)	-	(0.85)
Adjusted balance as of 1 April 2019	1,415.80	(85.97)	(2.76)	66.54	1,393.61	18.19	1,411.80
Issue of ordinary shares	31.58	-	-	-	31.58	-	31.58
Transactions with owners of the Company	31.58	-	-	-	31.58	-	31.58
Profit for the period	-	-	-	56.49	56.49	1.87	58.36
Exchange differences on translating foreign operations	-	(81.02)	-	-	(81.02)	-	(81.02)
Total comprehensive income	-	(81.02)	-	56.49	(24.53)	1.87	(22.66)
At 30 September 2019	1,447.38	(166.99)	(2.76)	123.03	1,400.66	20.06	1,420.72

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

	Six months ended 30 September 2020 (Reviewed)	Six months ended 30 September 2019 (Reviewed)
A. Cash flows from operating activities		
Profit before taxation	54.64	92.49
<i>Adjustments for</i>		
Depreciation and amortisation	95.69	98.45
Finance income	(9.94)	(38.35)
Finance costs	161.48	218.40
Share based payments	3.66	-
Impairment loss on trade receivables	7.44	8.32
Share of (profit)/ loss from equity-accounted investees	(0.13)	0.00
Excess of Group's interest in the fair value of acquiree's assets and liabilities over cost	-	(10.98)
<i>Changes in working capital</i>		
Inventories	(0.86)	(2.20)
Trade and other receivables	(129.67)	(217.25)
Trade and other payables	0.58	(13.16)
<i>Cash generated from operations</i>	182.89	135.72
Taxes paid, net	(1.70)	(12.30)
Net cash from operating activities	181.19	123.42
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital expenditure, net	(48.05)	(61.56)
Acquisition of business, net of cash and cash equivalents acquired	-	0.28
Consideration paid for acquisitions made by subsidiaries	(18.33)	(15.85)
Advance for purchase of equity	(0.33)	(1.37)
Advances given to equity-accounted investees	(8.77)	(97.88)
Amounts refunded by equity-accounted investees	-	0.18
Bank deposits	(22.89)	(24.13)
Interest received	5.47	20.95
Net cash used in investing activities	(92.90)	(179.38)
C. Cash flows from financing activities		
Proceeds from issue of shares (Net of expenses)	-	31.58
Proceeds from borrowings (Net of expenses)	136.70	1,495.14
Repayment of borrowings	(79.68)	(1,281.70)
Proceeds from capital subsidy	-	0.22
Payment of lease liabilities	(0.74)	(0.79)
Interest paid (including loan restructuring costs and premium paid on derivative contracts)	(186.40)	(261.89)
Net cash used in financing activities	(130.12)	(17.44)
Net decrease in cash and cash equivalents	(41.83)	(73.40)
Cash and cash equivalents at the beginning of the period	322.22	214.39
Exchange gain/ (losses) on cash and cash equivalents	2.14	(7.45)
Cash and cash equivalents at the end of the period	282.53	133.54

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 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 are for the six months ended 30 September 2020 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 2020.

The condensed consolidated interim financial statements have been prepared for the purpose of complying with financial reporting requirements under the indenture governing the Senior Notes issued by Greenko Dutch B.V., Greenko Investment Company, Greenko Solar (Mauritius) Limited and Greenko Mauritius, wholly owned subsidiaries. Greenko Energy Holdings is the Parent Guarantor for Senior Notes issued by these entities. The financial information for the period from 1 April 2020 to 30 September 2020 and 1 April 2019 to 30 September 2019 are unaudited and have been reviewed. The comparatives as at 31 March 2020 are audited and have been extracted from the audited consolidated financial statements for the year ended 31 March 2020.

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 2020. The presentation of the condensed consolidated interim financial statements is consistent with the audited consolidated financial statements.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

4. Recent Accounting Pronouncements

New standards adopted during the period

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB refined its definition of material to make it easier to understand. It is now aligned across IFRS Standards and the Conceptual Framework.

The changes in Definition of Material (Amendments to IAS 1 and IAS 8) all relate to a revised definition of ‘material’ which is quoted below from the final amendments.

“Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.”

Since the Group’s current practice is in line with these amendments, they had no impact on the condensed consolidated interim financial statements.

IFRS 3 Business Combinations

In October 2018, the IASB issued an amendment to IFRS 3 “Business Combinations – Reference to the Conceptual Framework.” The amendment is effective as of January 1, 2020, although companies may choose to apply it earlier under certain circumstances. The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it is clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the condensed consolidated interim financial statements of the Group.

New standards and interpretations not yet adopted

A number of new standards are effective for annual periods beginning after 1 April 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these interim financial statements.

The following relevant amended standards and interpretations are not expected to have a significant impact on the condensed consolidated interim financial statements.

IAS 1 Presentation of financial statements – Amendments regarding classification of liabilities as current or non-current (effective 1 January 2023)

The changes in Classification of Liabilities as Current or Non-current – Deferral of Effective Date (Amendment to IAS 1) defer the effective date of the January 2020 Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) to annual reporting periods beginning on or after January 1, 2023. Earlier application of the January 2020 amendments continues to be permitted.

The Directors are currently assessing the impact of the amendment to the condensed consolidated interim financial statements and do not expect any material impact.

All Standards and Interpretations will be adopted at their effective date (except for those Standards and Interpretations that are not applicable to the Group).

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements**5. 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 2020.

Greenko Energy Holdings
(All amounts in US Dollar millions unless otherwise stated)
Notes to the condensed consolidated 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 2019	96.25	316.24	3,657.36	9.85	4.17	-	474.16	4,558.03
Acquisition through business combination (Refer note 19)	4.08	38.88	66.86	0.20	0.01	1.33	0.29	111.65
Additions	1.54	14.73	90.73	0.64	0.07	-	129.83	237.54
Recognised on adoption of IFRS 16	-	-	-	-	-	8.50	-	8.50
Reclassified on adoption of IFRS16	(8.08)	-	-	-	-	8.08	-	-
Disposals/capitalisation	-	-	(0.64)	(0.04)	(0.03)	-	(103.15)	(103.86)
Exchange differences	(7.70)	(27.09)	(309.60)	(0.86)	(0.35)	(1.37)	(40.16)	(387.13)
At 31 March 2020	86.09	342.76	3,504.71	9.79	3.87	16.54	460.97	4,424.73
Additions	0.25	2.45	0.08	0.12	-	0.00	44.72	47.62
Disposals/capitalisation	-	-	(0.24)	-	(0.33)	-	-	(0.57)
Exchange differences	1.87	7.43	75.41	0.21	0.09	0.36	10.58	95.95
At 30 September 2020	88.21	352.64	3,579.96	10.12	3.63	16.90	516.27	4,567.73
Accumulated depreciation								
At 1 April 2019	0.18	26.31	243.92	3.02	1.26	-	-	274.69
Charge for the year	-	9.90	140.18	1.88	0.56	1.33	-	153.85
Disposals	-	-	(0.04)	(0.01)	(0.01)	-	-	(0.06)
Reclassified on adoption of IFRS16	(0.18)	-	-	-	-	0.18	-	-
Exchange differences	-	(2.76)	(28.60)	(0.36)	(0.14)	(0.09)	-	(31.95)
At 31 March 2020	-	33.45	355.46	4.53	1.67	1.42	-	396.53
Charge for the period	-	5.37	66.94	0.88	0.27	0.73	-	74.19
Disposals	-	-	(0.06)	-	(0.16)	-	-	(0.22)
Exchange differences	-	0.81	9.06	0.11	0.04	0.04	-	10.06
At 30 September 2020	-	39.63	431.40	5.52	1.82	2.19	-	480.56
Net book values								
At 30 September 2020	88.21	313.01	3,148.56	4.60	1.81	14.71	516.27	4,087.17
At 31 March 2020	86.09	309.31	3,149.25	5.26	2.20	15.12	460.97	4,028.20

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

7. Intangible assets and goodwill

	Licences	Electricity PPAs	Development fees	Goodwill	Total
Cost					
At 1 April 2019	127.94	768.66	44.56	243.24	1,184.40
Acquisition through business combination (Refer Note 19)	-	66.61	-	-	66.61
Exchange differences	(10.55)	(65.27)	(3.68)	(20.07)	(99.57)
At 31 March 2020	117.39	770.00	40.88	223.17	1,151.44
Exchange differences	2.53	16.58	0.88	4.81	24.80
At 30 September 2020	119.92	786.58	41.76	227.98	1,176.24
Accumulated amortisation and impairment					
At 1 April 2019	7.33	35.31	1.59	18.88	63.11
Amortisation for the year	4.92	36.91	1.83	-	43.66
Impairment charge for the year	-	-	-	7.11	7.11
Exchange differences	(0.87)	(5.11)	(0.24)	(1.89)	(8.11)
At 31 March 2020	11.38	67.11	3.18	24.10	105.77
Amortisation for the period	2.34	18.31	0.86	-	21.51
Exchange differences	0.28	1.75	0.09	0.52	2.64
At 30 September 2020	14.00	87.17	4.13	24.62	129.92
Net book value					
At 30 September 2020	105.92	699.41	37.63	203.36	1,046.32
At 31 March 2020	106.01	702.89	37.70	199.07	1,045.67

8. Trade receivables

	30 September 2020	31 March 2020
Gross trade receivables	539.73	401.51
Less: Allowance for expected credit loss	(27.59)	(19.60)
	512.14	381.91

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\$17.42 million (31 March 2020: US\$8.07 million) and not past due US\$150.25 million (31 March 2020: US\$109.88 million). Trade receivables that are outstanding for more than one month from due date are considered as past due. These receivables have been considered as fully recoverable based on Directors' assessment. Recoverability is based on the evaluation of terms implicit in the contracts with the customers, legal opinions and other pertinent factors.

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

	30 September 2020	31 March 2020
Not due	167.67	117.95
1 to 6 months	146.18	111.73
6 to 9 months	58.20	51.78
9 to 12 months	34.57	40.39
Beyond 12 months	133.11	79.66
Gross trade receivables	539.73	401.51

Significant portion of the Group's receivables are due from Government (State owned) and only lesser portion is from corporates and private customers. 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.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****8. Trade receivables (continued)**

The 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. The movements on the allowance for expected credit losses of trade receivables is shown below:

	30 September 2020	31 March 2020
As at the beginning of the year	19.60	11.67
Charge for the period / year	7.44	9.55
Exchange differences	0.55	(1.62)
Closing as at the end of period/year	27.59	19.60

9. Cash and cash equivalents

	30 September 2020	31 March 2020
Cash on hand	0.38	1.71
Cash at bank	282.15	320.51
	282.53	322.22

Cash at bank of the Group includes US\$ 190.31 million (31 March 2020: US\$217.07 million) in currencies other than INR (i.e., in US\$, GBP, SGD and EURO).

10. 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\$ 152.91 million (31 March 2020: US\$ 108.70 million) are classified as 'bank deposits' under current assets. Deposits with maturity date beyond 12 months from the reporting date amounting to US\$ 61.64 million (31 March 2020: US\$78.83 million) are disclosed under non-current assets. Bank deposits aggregating to US\$ 89.95 million (31 March 2020: US\$ 80.61 million) given as security.

Bank deposits include US\$ 14.00 million (31 March 2020: US\$ 14.00 million) in currencies other than INR (i.e., in US\$).

11. Share capital

	30 September 2020	31 March 2020
Issued and fully paid with no par value		
919,075,134 Class A shares	1,709.28	1,709.28
21,132,000 Class B2 Performance shares	0.00	0.00
Total	1,709.28	1,709.28

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

- During June 2018, the Company granted a right to subscribe 51,271,209 warrant shares to Greenko Ventures Limited ("GVL") at the fair value as on the date of grant. These warrants may be exercised by GVL at any time during the warrant period at the warrant price contemplated in warrant deed entered between the shareholders of the Company. On exercise, these warrants are convertible to 51,271,209 Class A shares of the Company.

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

- During May 2019, the Company has entered into a Promoter Incentive Deed with GVL Management Services Limited, wherein the Company has issued 21,132,000 Class B2 performance shares in consideration for a subscription amount of US\$ 1. These Class B2 performance shares are subsequently convertible into Class A shares, pursuant to and in accordance with the terms of the agreement.
- During May 2019, the Company granted a right to subscribe 61,087,734 warrant shares towards Integrated Renewable Energy projects (IREP) and additional 40,546,842 warrant shares subject to an M&A to Greenko Ventures Limited ("GVL") at the fair value as on the date of grant. These warrants may be exercised by GVL at any time during the warrant period at the warrant price contemplated in warrant deed entered between the shareholders of the Company. On exercise, these warrants are convertible into Class A shares of the Company.

12. Borrowings

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

	30 September 2020	31 March 2020
Non-current – Financial liabilities measured at amortised cost		
Term loans from banks	181.81	77.72
Term loans from financial institutions	995.74	1,007.87
5.25% Senior Notes {Refer Note 12.5 (a)}	645.28	644.79
4.875% Senior Notes {Refer Note 12.5 (a) and (b)}	840.69	839.08
5.55% Senior Notes {Refer Note 12.5 (c)}	493.08	492.59
5.95% Senior Notes {Refer Note 12.5 (c)}	527.19	527.07
6.25% Senior Notes {Refer Note 12.5 (d)}	431.16	430.43
Floating Rate Term Loan {Refer Note 12.5 (e)}	35.00	-
	4,149.95	4,019.55
Current – Financial liabilities measured at amortised cost		
Term loans from banks	2.28	2.66
Term loans from financial institutions	57.02	97.18
Working capital loans	47.69	47.97
	106.99	147.81
Total borrowings	4,256.94	4,167.36

- 12.1. 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 16.11%.
- 12.2. 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 trade receivables. Additionally, the borrowings are also secured by lien on bank deposits amounting to US\$52.98 million (31 March 2020: US\$53.10 million).

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****12. Borrowings (continued)**

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

	30 September 2020	31 March 2020
Indian Rupee (INR)	1,284.54	1,233.40
US Dollar (US\$)	2,972.40	2,933.96
	4,256.94	4,167.36

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

	30 September 2020	31 March 2020
Fixed rate of interest	3,636.89	3,573.28
Variable rate of Interest	620.05	594.08
	4,256.94	4,167.36

12.5. 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 (the Senior Notes) respectively to 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 Dutch B.V. invested issue proceeds, net of issue expenses 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 and the principal amount is payable on 24 July 2022 and 24 July 2024 respectively. 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.

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****12. Borrowings (continued)****12.5. Notes and Senior Notes (continued)**

- 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.
- e) In July 2020, Wind Power Generations (Mauritius) Ltd (“WPG”), a subsidiary of Greenko Mauritius, raised funds to the tune of US\$ 35.00 million by issuing Floating Rate Secured Guaranteed term loan with an interest rate of three month LIBOR plus 5.00 per cent per annum to institutional investors on a private placement basis and are due for payment in July 2023. The term loan was secured by corporate guarantee of Greenko Power Projects (Mauritius) Limited and pledge of all shares of WPG owned by Greenko Mauritius.
- f) **Reconciliation of liabilities arising from financing activities:**

	As at 1 April 2020	Proceeds during the period	Repayment during the period	Non-cash changes		As at 30 September 2020
				Foreign Exchange movements	Transaction costs/ accrued	
Borrowings	4,167.36	136.70	(79.68)	27.84	4.72	4,256.94
Lease liabilities	7.91	-	(0.74)	0.16	(0.01)	7.32

13. 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 2020	30 September 2019
Sale of power	342.90	394.53
Sale of renewable energy certificates	0.10	3.60
Generation based incentive	14.12	17.55
	357.12	415.68

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 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 2020	30 September 2019
Revenue from wind assets	203.34	263.04
Revenue from solar assets	98.41	104.87
Revenue from hydropower assets	55.09	46.17
Revenue from others	0.28	1.60
Total	357.12	415.68

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****13. Revenue (continued)****Details of revenue from contracts with customers:**

	30 September 2020	30 September 2019
Revenue as per contracted price	358.73	416.61
Less: Rebates	1.61	0.93
	357.12	415.68

14. Share-based payments:

During 2019, the Company has issued 21,132,000 Class B2 performance shares to GVL Management Services Limited (“GMSL”), a company in which Anil Kumar Chalamalasetty and Mahesh Kolli (Non-Executive Directors) have a beneficial interest, in consideration for a subscription amount of US\$ 1. Class B2 Performance shares (“Performance shares”) are not entitled to any dividends and distributions as declared from time to time and also not confer any voting rights. Further these shares are not entitled to participate in the net assets on liquidation of the Company. GMSL will be entitled to convert these performance shares into Class A Shares if and to the extent that the Group achieves certain financial targets such as EBITDA performance hurdle and valuation performance hurdle as set out in the Promoter Incentive Deed entered on 23 May 2019 for the financial year ending 31 March 2019 to financial year ending 31 March 2023.

The fair value of said performance shares has been determined using the price at which new shares have been allotted to all the other existing shareholders on the date of grant. There are no Class B2 Performance shares converted into Class A shares during the period.

15. 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 and indirect tax disputes with the tax authorities. The Group has appealed against the orders of the income tax officer/authority at appropriate levels. The Group has been successful in obtaining favourable orders in few cases. The tax authorities have appealed against these orders. Based on assessment of these claims, the management is confident of ultimate favourable outcome. The amount involved in these claims are US\$ 8.93 million (31 March 2020: US\$6.73 million).
- b) In December 2010, Sai Spurthi Power Private Limited (SSPPL), received a letter from a bank informing SSPPL that three corporate guarantees aggregating to US\$6.40 million (31 March 2020: US\$6.26 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 2020: US\$ 0.59 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 2020: US\$ 0.59 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 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\$1.03 million (31 March 2020: US\$ 1.00 million) for the credit facilities availed by Bhadragiri Power Private Limited, a company promoted and owned by erstwhile management of SSPPL. On verification of records and discussions with the erstwhile Managing Director, 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 Group to settle this liability, if any.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

15. Commitments and contingencies (continued)

- c) Greenko Budhil Hydro Power Private Limited (Greenko Budhil), one of the subsidiaries of the Company, had received demand notices aggregating to US\$10.27 million (31 March 2020: US\$10.06 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 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, one of the subsidiaries of the Company, 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.

- d) 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\$3.97 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\$ 9.06 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\$ 5.98 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.

- e) The 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 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 has a strong case and outflow of economic resources is not probable.

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

15. Commitments and contingencies (continued)

- f) In addition to matters mentioned above, the Group is subject to various 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 2020 but not yet incurred aggregated to US\$ 674.81 million (31 March 2020: US\$ 433.34 million).

16. During the previous year, the renewable energy long term Power Purchase Agreements (“PPAs”) particularly solar and wind PPAs entered with the State of Andhra Pradesh has come under scrutiny by the newly elected Government of Andhra Pradesh which has attempted to revisit the agreed Wind and Solar tariffs. The Southern Power Distribution Company of Andhra Pradesh Limited (“APDISCOM”) has issued unilateral notices on 12 July 2019 for few wind and solar companies across the industry for reduction of tariffs to Rs. 2.44 per kwh. The Government of Andhra Pradesh has also constituted a High Level Negotiating Committee (“HLNC”) for negotiation with these wind and solar entities. The Association of Renewable Power Generating companies had approached the Hon’ble High Court of Andhra Pradesh (“AP HC”), which have heard both the parties and has disposed-off the case, by clearly giving orders that the PPA does not have any clause for revisiting the tariff during the tenure of PPA and even going by the general Indian Contract Act, the revision is not permissible without mutual consent of the parties. AP HC cancelled and made void the Government of Andhra Pradesh order for constitution of the HLNC.

In line with other companies, few of our Group companies has also received notices for reduction of tariff to Rs. 2.44 per kwh on 12 July 2019 and received notices for public hearing. With respect to notices received, the Group has filed appeals with Appellate Tribunal for Electricity (“APTEL”). APTEL has stayed the consequences of these notices.

The AP HC also instructed APDISCOM to honour pending and future bills but in interim to pay the money at a rate of Rs. 2.44 per unit (as against the billed rate) to discharge the obligations by generation companies. The AP HC also stated that this rate is only an interim measure until the matter is resolved by the APERC and directed the APERC to conclude this matter within 6 months period.

In view of the relief from AP HC, the recent APTEL orders in favour of Group and based on the various support regulations issued by the Central Government of India, considering the signed PPAs, the Group continues to recognise the revenue at the original agreed PPA tariff and has determined that the receivables are currently fully recoverable. Total trade receivable balance outstanding from APDISCOM as on 30 September 20 is US\$ 253.37 million (31 March 2020: US\$ 167.90 million).

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****17. Related-party transactions**

- a) Cambourne Investment Pte Limited, an affiliate of Government of Singapore Investment Company (“GIC”) is considered as the Holding Company of the Group. Further, Greenko Ventures Limited, GVL Investments Limited, GVL Management Services Limited, GVL (Mauritius) Limited and Horizontes Capital Partners Ltd, in which Anil Kumar Chalamalasetty and Mahesh Kolli (Non-executive directors) have a beneficial interest, holds 17.74 % in the Company.
- b) The following transactions were carried out with related parties:

Key management compensation

	30 September 2020	30 September 2019
Short-term employee benefits		
Mr. Om Prakash Bhatt	0.12	0.12
Mr. Kunnasagaran Chinniah	0.04	0.04
Mr. Nassereddin Mukhtar Munjee (w.e.f 2 April 2019)	0.04	0.03
Mr. Sriram Yarlagaadda (Upto 2 April 2019)	-	0.01
Total short-term employee benefits	0.20	0.20

Share-based payments

	30 September 2020	30 September 2019
Short-term employee benefits		
GVL Management Services Limited	3.66	-
	3.66	-

c) Equity-accounted investees

	30 September 2020	31 March 2020
Advances given to Equity-accounted investees	8.77	80.90
Amounts refunded by Equity-accounted investees	-	3.16
Amount receivable	96.61	89.41
Amount payable	1.55	5.09

18. Equity-accounted investees

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

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

	30 September 2020	31 March 2020
Carrying amount of interests in associates	-	0.18
Transfer on account of business combination (Note 19)	-	(0.17)
Share of:		
Profit/(loss) from continuing operations	0.13	(0.01)
	0.13	-

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

19. Business combinations

During the previous year ended 31 March 2020:

- a) On 1 May 2019, the Group through its subsidiary has acquired control on “Jilesh Power Private Limited” from SunEdison Group (referred as “Jilesh”). The entity is operating entity with a capacity of 45 MW. The Group has acquired 49% shareholding in earlier years from SunEdison Group and has acquired the balance shareholding during the period.

The valuation of the assets and liabilities acquired has been carried out on 01 April 2019 considering that the effect of transactions from 01 April 2019 to 01 May 2019 are not material to the consolidated financial statements.

The amounts of revenue and profit related to Jilesh since the acquisition date (i.e. 1 April 2019) included in the consolidated statement of profit or loss for the year ended 31 March 2020 was US\$7.41 million and US\$1.16 million respectively.

- b) On 31 March 2020, the Company through its wholly owned subsidiaries Greenko Energies Private Limited (“GEPL”) and Greenko Power Projects (Mauritius) Limited (“GPPML”) entered into definitive agreements with Athena Infra Projects Private Limited and Investor Trust (FZC) for acquisition of 100% shareholding held by these two shareholders in Everest Power Private Limited (“EPPL”). The transaction primarily involved acquisition of 100MW operating hydro power plant in Himachal Pradesh in India. The acquisition was completed on 31 March 2020 and the valuation of the acquired assets and liabilities has been carried out on 31 March 2020. The Group has obtained the control by virtue of Board Composition and control by virtue of share purchase agreements including the power to direct the relevant activities of the investee unilaterally. The administrative process of transfer of shares in the name of the GEPL and GPPML is in progress which is procedural in nature.

If the acquisition had occurred on 1 April 2019, the amount of revenue and profit from EPPL would have been US\$ 16.16 million and US\$ 0.19 million respectively for the year ended 31 March 2020.

The Group has accounted for the above transactions under IFRS 3, “Business Combinations” in the consolidated financial statements. Details of purchase consideration, fair value of the acquiree’s assets and liabilities arising from the acquisition and bargain purchase are given below:

	Jilesh	EPPL	Total
Purchase consideration:			
- Advance for purchase of equity	0.16	-	0.16
- Investment in associates	0.17	-	0.17
- Consideration payable	-	46.62	46.62
Total purchase consideration	0.33	46.62	46.95
Fair value of net assets acquired	11.31	61.29	72.60
Excess of group’s interest in the fair value of acquiree’s assets and liabilities over cost	(10.98)	(14.67)	(25.65)

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

	Jilesh	EPPL	Total
Property, plant and equipment	39.69	71.96	111.65
Intangible assets	22.51	44.10	66.61
Long term loans and advances	0.24	0.01	0.25
Working capital (net)	(11.67)	(0.04)	(11.71)
Cash and cash equivalents	0.28	0.16	0.44
Borrowings	(32.51)	(36.72)	(69.23)
Deferred tax liability	(7.23)	(18.18)	(25.41)
Net assets	11.31	61.29	72.60

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****19. Business combinations (continued)****Net cash inflow on account of business combinations**

	Jilesh	EPPL	Total
Total purchase consideration	0.33	46.62	46.95
Advances and investments in associates	(0.33)	-	(0.33)
Consideration payable	-	(46.62)	(46.62)
Cash and cash equivalents	0.28	0.16	0.44
Net cash inflow on acquisitions	0.28	0.16	0.44

Excess of group's interest in the fair value of acquiree's assets and liabilities over cost is on account of Seller's exit from the above entities and bilateral negotiations between parties which has resulted into gain on bargain purchase to the Group.

The trade receivables comprise gross contractual amounts due of US\$ 11.73 million which are expected to be fully recoverable as at the date of acquisition.

20. 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 2020:

	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value				
Other investments	0.06	-	-	0.06
Derivative financial assets	-	483.18	-	483.18
Financial liabilities:				
Measured at amortised cost				
Fixed rate borrowings (including current)	3,014.82	699.49	-	3,714.31
Floating rate borrowings (including current)	-	620.05	-	620.05
Other financial liabilities	-	-	299.73	299.73
Measured at fair value				
Contingent consideration payable	-	-	21.65	21.65

Greenko Energy Holdings*(All amounts in US Dollar millions unless otherwise stated)***Notes to the condensed consolidated interim financial statements****20. Fair value measurement of financial instruments (continued)****31 March 2020:**

	Level 1	Level 2	Level 3	Total
Financial assets:				
Measured at fair value				
Other investments	0.05	-	-	0.05
Derivative financial assets	-	331.95	-	331.95
Financial liabilities:				
Measured at amortised cost				
Fixed rate borrowings (including current)	2,458.16	639.32	-	3,097.48
Floating rate borrowings (including current)	-	594.08	-	594.08
Other financial liabilities	-	-	166.05	166.05
Measured at fair value				
Contingent consideration payable	-	-	21.65	21.65

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 due to their short maturity.

Measurement of fair value of financial instruments

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 2020, 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 of outstanding foreign exchange derivative contracts.

Instrument	Currency	Cross currency	Notional amount as at 30 September 2020	Notional amount as at 31 March 2020	Fair value as at 30 September 2020	Fair value as at 31 March 2020
Forward contracts and options	US\$	INR	3,005.00	1,935.00	483.18	331.95
			3,005.00	1,935.00	483.18	331.95

Contingent consideration payable

Greenko Energy Holdings

(All amounts in US Dollar millions unless otherwise stated)

Notes to the condensed consolidated interim financial statements

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.

21. Impact of COVID-19:

In preparation of the condensed consolidated interim financial statements, the Group has considered the business environment arising out of the COVID-19 outbreak globally and in India. The Power plants of the Group are operating, and generation of energy is normal as the generation and supply of electricity is considered to be an essential service in India. The management believes that the impact of this outbreak on the business and financial position of the Group will not be significant. The Group has not experienced any material impact on collection of its receivables from DISCOM's. Further, the Ministry of New and Renewable Energy ('MNRE') has issued directives to all State DISCOM's to adhere to the terms and conditions of PPA's and also to ensure the status of "Must Run" with respect to Renewable energy generating companies. The Group believes that as such, the 'Force Majeure' notices from the DISCOMs across the industry have no legal effect. The Group is continuously monitoring the situation with respect to the uncertainties in the environment on account of the COVID-19 pandemic.

22. During January 2020, the Group through its wholly owned subsidiaries Greenko Power Projects (Mauritius) Limited and Greenko Energies Private Limited entered into definitive purchase agreements, subject to regulatory, lenders and customary approvals, under which the Group will acquire 34.31% shareholding of Teesta Urja Limited, which has the underlying asset of 1,200 MW of Hydro power project in North Sikkim, India, at an agreed consideration. The requisite regulatory approvals for acquisition of 34.31% shareholding of Teesta Urja Limited are received subsequent to 31 March 2020 and the Group is awaiting for approval of majority shareholders of Teesta Urja Limited for execution of the transaction.
23. During September 2020, the Group has entered into a definitive framework agreement with Orix Corporation ("Orix") wherein Orix will make an investment of at least US\$ 980.00 million to acquire shares in the Company through a combination of primary and secondary transactions approximating to at least 20% of Company's shares at closing. The exact shareholding and investment amount may change as a result of transaction adjustments, exchange rates and future capital infusions. The Company will acquire Orix's 873 megawatts (MW) of operating wind assets in India as part of the above transaction.

The completion of the transaction is subject to closing conditions, lenders approvals and customary regulatory approvals in India and other relevant jurisdictions. Subsequently in November 2020, the Group received approval from Competition Commission of India.

24. Subsequent events

There have been no material events after the period end which would require disclosures or adjustments to the condensed consolidated interim financial statements for the period ended 30 September 2020.

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, the Condensed Consolidated Interim Financial Statements and the related notes thereto of Greenko Energy Holdings ("Parent Guarantor") and the Condensed Combined Interim Financial Statements and the related notes thereto of Greenko Dutch B.V. ("Restricted Group"), Greenko Investment Company ("Restricted Group II") and Greenko Solar (Mauritius) Limited ("Restricted Group III").

Overview

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

As of 30 September 2020, our portfolio of assets consists of (i) 112 operational projects with a combined installed capacity of 4,224.1 MW, comprising 23 operational hydropower projects with a total installed capacity of 489.4 MW, 35 operational wind energy projects with a total installed capacity of 2,298.5 MW, 47 operational solar energy projects with a total installed capacity of 1,357.9 MW and seven operational thermal projects (which include biomass and gas) with a total installed capacity of 78.3 MW, (ii) six projects under construction with a total licensed capacity of 254.5 MW, comprising one wind project with a licensed capacity of 20.0 MW and five hydropower projects with a total licensed capacity of 234.5 MW, and (iii) 6 hydropower projects under active development with a total licensed capacity of 369.0 MW. We are also constructing two integrated renewable energy storage projects ("IRESPs"), the Pinnapuram Pumped Storage Project and the Saundatti Pumped Storage Project, with a total pumped storage capacity of 2,460.0 MW equivalent to 22.1 GWh and with national grid connectivity. The IRESPs are expected to harness the power of solar and wind resources with digitally connected storage infrastructure to provide scheduled and flexible power to the grid.

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.

Significant Recent Growth

We have significantly expanded our installed base of operational projects. In recent years, we have made a number of acquisitions, including the SunEdison Acquisition, the Orange Renewable Acquisition and the Skeiron Acquisition, 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.

The following table sets forth the capacity of our operational projects as of 30 September 2020 and 30 September, 2019:

	As of 30 September, 2020	As of 30 September, 2019
	Capacity (MW)	Capacity (MW)
Operational projects	4,224.1	4,124.1

During six months ended September 2020 and September 2019, we generated 6,148.3 GWh and 6,527.1 GWh of power, respectively. Six months ended September 2020 includes the results of Everest Power Private Limited.

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.

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 diversified mix of revenue streams balance 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 off-takers 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 expenditure is 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 Consolidated Financial Statements and the Restricted Group Combined 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 Group arise, which results in distorted figures of profits or losses depending upon cross-currency issues of the U.S. dollar and the Indian Rupee. Accordingly, the results of operations of the Parent Guarantor and the Restricted Group will be impacted by the strength of the U.S. dollar as measured against the Indian Rupee due to translational 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. dollar 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 Group 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 completed between 1 April 2013 to 31 March 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. Regulations 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 Indian Government has periodically reaffirmed its desire to sustain and strengthen that support with a target to achieve 100 GW and 60 GW in commissioned solar

and wind projects respectively by 2022. Additional regulatory requirements could contribute to increase in demand for clean energy and/or to increase in power prices.

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.

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, 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 and equity financing, 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 in the Condensed Consolidated Interim Financial Statements:

Revenue

Our revenue consists of the sale of power, the sale of renewable energy certificates ("RECs"), GBI and interest for delayed payments, if any.

Sale of power

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.

Sale of renewable energy certificates

RECs are a type of environmental commodity intended to provide an economic incentive for electricity generation from renewable energy sources and represent the attributes of electricity generated from renewable energy sources such as hydro, wind and solar. These attributes are unbundled from the physical electricity and the two products, first being the attributes embodied in the certificates, and second being electricity, may be sold or traded separately. 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.

Generation Based Incentive

The 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 and benefits all the wind capacity commissioned since that date to 31 March 2017. Revenue from GBI is recognized based on the number of units exported or if the eligibility criteria is met in accordance with the guidelines issued by the Indian Renewable Energy Development Agency Limited for GBI scheme.

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.

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, plant-related direct expenses and free power charge.

Employee Benefits Expense

Employee benefits expense comprises of salaries and wages payable, 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, office rent, travelling expenses, professional charges, communication, internet, stationery, rates and taxes.

Impairment Loss on Trade Receivables

In accordance with IFRS 9, we have implemented the expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets. Financial assets at amortized cost include trade receivables including unbilled receivables, other receivables, security deposits, bank deposits and cash and cash equivalents.

The ECL model has been computed in line with requirements under IFRS 9. Our trade receivables have no significant financing component, so we have used the simplified method for providing for these under IFRS 9. Therefore, the impairment loss is measured at lifetime ECL. An impairment analysis was performed at each reporting date using a provision matrix to measure ECL. 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.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when we determine that the debtor does not have assets or sources of income that could generate sufficient cash flows or intention to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under our recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

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). 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 due to our negotiating skills.

Depreciation and Amortization

Depreciation and impairment in value of tangible assets

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Historical cost includes expenditure that is directly attributable to the acquisition of the items and borrowing costs during 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 and impairment in value 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 in value. The intangible assets 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 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, interest on bank deposits and dividend from units of mutual funds.

Finance Costs

Finance costs comprises interest on borrowings 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.

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.

Taxation

Taxation 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 — Greenko Energy Holdings Condensed Consolidated Interim Financial Statements

Six months ended 30 September, 2020 compared to six months ended 30 September, 2019

On 1 May 2019, through our subsidiary, we have acquired control on “Jilesh Power Private Limited” from SunEdison Group (referred as “Jilesh”). The entity is an operating entity with a capacity of 45 MW. The Group has acquired 49% shareholding in earlier years from SunEdison Group and has acquired the balance shareholding during the period.

On 31 March 2020, through our subsidiary, we have acquired Everest Power Private Limited (“EPPL”). The entity is a 100 MW operating hydro power plant in Himachal Pradesh in India.

Accordingly, the comparative amounts for the statement of profit or loss and other comprehensive income, statement of cash flows and related notes are not comparable.

Revenue

Our revenue was decreased by US\$58.6 million, or 14.1%, to US\$357.1 million in six months ended 30 September 2020 from US\$415.7 million in 6 months ended 30 September 2019. The tables below set forth the breakdown of our revenue for the indicated periods by type and asset class.

	Six months ended 30 September 2020	Six months ended 30 September 2019
	(US\$ in millions)	(US\$ in millions)
Revenue	357.1	415.7
Installed capacity at beginning of period (MW)	4,224.1	3,969.5
Installed capacity at end of period (MW)	4,224.1	4,124.1
Generation (GWh)	6,148.3	6,527.1

	Six months ended 30 September 2020	Six months ended 30 September 2019
	(US\$ in millions)	(US\$ in millions)
Revenues from wind energy projects	203.3	263.0
Revenues from hydropower projects	55.1	46.2
Revenues from solar projects	98.4	104.9
Revenues from thermal projects	0.3	1.6
Total	357.1	415.7

Revenue for the six months ended 30 September 2020 was decreased by 14.1% to US\$357.1 million compared to US\$415.7 million in the six months ended 30 September 2019. Revenue for the wind projects decreased by 22.7% to US\$203.3 million from US\$263.0 million in the previous year of the same period. Revenue for the hydro power projects increased by 19.3% to US\$55.1 million from US\$46.2 million compared in the previous year of the same period. Revenue for the solar projects decreased by 6.2% to US\$98.4 million from US\$104.9 million compared in the previous year of the same period. Revenue for the thermal power projects in the six months ended 30 September 2020 was decreased to US\$0.3 million compared to US\$1.6 million in the previous year of the same period. Generation was decreased by 5.8% to 6,148.3 GWh in the six months ended 30 September 2020 from 6,527.1 GWh in the six months ended 30 September 2019.

Our wind power projects delivered an average PLF of 31.7% in the six months ended 30 September, 2020, 39.2% in the six months ended 30 September, 2019. The decrease in PLF is mainly on account of lower wind availability in 2020 compared to wind availability in 2019.

Our hydropower projects delivered an average PLF of 70.4% in the six months ended 30 September, 2020, 67.0% in the six months ended 30 September, 2019.

Our solar projects delivered an average PLF of 24.1% in the six months ended 30 September, 2020, 23.8% in the six months ended 30 September, 2019.

Generation has been decreased by 5.8% in the six months ended 30 September, 2020 against six months ended 30 September, 2019 and an decrease of revenue by 14.1%, in the six months ended 30 September, 2020 against six

months ended 30 September, 2019 in terms of Indian Rupees. However, in terms of Indian rupee, the revenue has been decreased only by 7.8% in the six months ended 30 September, 2020 compared to six months ended 30 September, 2019.

Other operating income

Other operating income was US\$0.8 million in the six months ended 30 September, 2019 and US\$0.9 million in the six months ended 30 September 2019.

Cost of material and power generation expenses

Cost of material and power generation expenses was US\$25.3 million during six months ended 30 September, 2020, US\$27.1 million in the six months ended 30 September, 2019. Cost of material and power generation expenses was 7.1% of revenue in six months ended 30 September, 2020, 6.5% of revenue in the six months ended 30 September, 2019.

Employee benefits expense

Employee benefits expense was US\$10.8 million during six months ended 30 September, 2020 compared to US\$9.1 million during the six months ended 30 September 2019. The largest component of employee benefits expense was salaries and wages, which have generally changed from period to period on account of change in head count and increments.

Other operating expenses

Other operating expenses was US\$12.6 million during the six months ended 30 September, 2020 compared to US\$12.1 million during the six months ended 30 September, 2019. Increase in other operating expenses were primarily due to increase in operating capacity. Other operating expenses include office administration, office rent, travelling expenses, professional charges, communication, internet, stationery, rates and taxes.

Impairment loss on trade receivables

Impairment loss on trade receivables was US\$7.4 million during the six months ended 30 September, 2020 compared to US\$8.3 million during the six months ended 30 September 2019.

Excess of group's interest in the fair value of acquiree's assets and liabilities over cost

We recognized an excess of group's interest in the fair value of acquiree's assets and liabilities over cost of US\$11.0 million during the six months ended 30 September, 2019 in connection with the acquisition of the remaining 51.0% interest in Jilesh Power Private Limited.

Depreciation and amortization

Depreciation and amortization was US\$95.7 million during the six months ended 30 September, 2020, US\$98.4 million during the six months ended 30 September, 2019.

Finance income

Finance income was US\$9.9 million during the six months ended 30 September, 2020 compared to US\$38.4 million during six months ended 30 September, 2019, which was primarily attributable to the fair value gain on derivative contracts.

Finance cost

Finance costs were US\$161.5 million during the six months ended 30 September, 2020 compared to US\$218.4 million during the six months ended 30 September, 2019, which was primarily attributable to interest on our borrowings. Further we recognized loan restructuring costs of US\$21.1 million during six months ended 30 September, 2019 representing the cost of prepayment and unamortized transaction costs attributable to the refinancing and repayment of loans.

Profit before taxation

For the reasons discussed above, we earned profit before tax of US\$54.6 million during the six months ended 30 September, 2020 compared to profit of US\$92.5 million during the six months ended 30 September, 2019.

Taxation

Taxation was US\$34.4 million during the six months ended 30 September, 2020, US\$34.1 million during the six months ended 30 September, 2019.

Profit for the year

As a result of the foregoing, we earned profit of US\$20.3 million during the six months ended 30 September, 2020 compared to profit of US\$58.4 million during the six months ended 30 September, 2019.

Liquidity and Capital Resources

Overview

As of 30 September, 2020, our consolidated bank deposits were US\$ 214.6 million and our cash and cash equivalents were US\$282.5 million. Bank deposits aggregating US\$90.0 million were restricted as of 30 September, 2020.

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 as well as equity raising at the Parent Guarantor and, in the past, Greenko Mauritius. We believe that our credit facilities, together with cash generated from our operations, 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 and market conditions. We expect to incur significant capital expenditures for the year ending March 31, 2021 as we develop and construct new projects and expand our operations.

Cash Flows

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

	Six months ended 30 September, 2020	Six months ended 30 September, 2019
	(US\$ in millions)	
Consolidated Cash Flow Statement		
Net cash from operating activities	181.2	123.4
Net cash used in investing activities	(92.9)	(179.4)
Net cash used in financing activities	(130.1)	(17.4)
Cash and cash equivalents at the beginning of the period	322.2	214.4
Cash and cash equivalents at the end of the period	282.5	133.5

During the six months ended 30 September, 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\$54.6 million and positive non-cash adjustment for finance cost of US\$161.5 million and depreciation and amortization of US\$95.7 million (ii) changes in working capital of US\$130.0 million and (iii) a decrease in taxes paid of US\$1.7 million. Changes in working capital 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.

During the six months ended 30 September, 2019, the net cash from operating activities was US\$123.4 million. This net cash inflow was primarily attributable to (i) profit before tax of US\$92.5 million and positive non-cash adjustment for finance cost of US\$218.4 million and depreciation and amortization of US\$98.4 million, offset by excess of group's interest in the fair value of acquiree's assets and liabilities over cost of US\$11.0 million, (ii) changes in working capital of US\$232.6 million and (iii) a decrease in taxes paid of US\$12.3 million. Changes in working capital primarily comprised an increase in trade and other receivables of US\$217.2 million and an increase in trade and other payables of US\$13.2 million.

Net cash used in investing activities

During the six months ended 30 September, 2020, our net cash used in investing activities of US\$92.9 million primarily consisted of (i) US\$48.1 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\$22.9 million investment in bank deposits (iii) Consideration paid for acquisitions made by subsidiaries of US\$18.3 million (iv) US\$8.8 million advances given to equity accounted investees, and (v) advances given for purchase of equity of US\$0.3 million, offset by interest received of US\$5.5 million.

During the six months ended 30 September, 2019, our net cash used in investing activities of US\$179.4 million primarily consisted of (i) US\$61.6 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\$97.9 million advances given to equity accounted investees, (iii) US\$24.1 million investment in bank deposits (iv) Consideration paid for acquisitions made by subsidiaries of US\$15.8 million and (v) advances given for purchase of equity of US\$1.4 million, offset by interest received of US\$20.9 million.

Net cash used in financing activities

During the six months ended 30 September, 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 and US\$186.4 million in interest paid including premium paid on derivative contracts. The same is partially offset by US\$136.7 million of proceeds from borrowings.

During the six months ended 30 September, 2019, our net cash used in financing activities of US\$17.4 million was primarily attributable to US\$31.6 million of proceeds from the issue of shares to our shareholders, US\$1,495.1 million of proceeds from borrowings, offset in part by US\$1,281.7 million in repayment of borrowings and US\$261.9 million in interest paid including premium paid on derivative contracts.