

Greenko Solar (Mauritius) Limited (Restricted Group III)

Issuer of US\$500 Million 5.55% Senior Notes due 2025
and US\$535 Million 5.95% Senior Notes due 2026

Summary of Contents

Financial Statements for the period April 1, 2019 to September 30, 2019

Greenko Solar (Mauritius) Limited

1. Independent Auditor's Review Report
2. Condensed Combined interim financial statements

Greenko Energy Holdings (Parent Guarantor)

3. Independent Auditor's Review Report
4. Condensed Consolidated interim financial statements
5. Management's Discussion and Analysis of Financial Condition and Results of Operations of Greenko Energy Holdings and of Greenko Solar (Mauritius) Limited

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Independent Practitioner's Review Report

To the Board of Directors of Greenko Solar (Mauritius) Limited

We have reviewed the accompanying condensed combined interim financial statements of Restricted Group III which consists of the Greenko Solar (Mauritius) Limited ("the Company"), a wholly owned subsidiary of Greenko Energy Holdings ("the Parent") and certain entities under common control of the Parent, as listed in note 3 to the condensed combined interim financial statements (collectively known as "the Restricted Group III") which comprise the condensed combined statement of financial position as at 30 September 2019, and the condensed combined statement of profit or loss and other comprehensive income, condensed combined statement of changes in net parent investment and condensed combined statement of cash flow for the six months period then ended, and selected explanatory notes, as set out on pages 3 to 17. The condensed combined interim financial statements have been prepared by the Management of the Company in accordance with the basis of preparation described in note 3.

Management's responsibility for the condensed combined interim financial statements

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

Practitioner's responsibility

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

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

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these accompanying condensed combined interim financial statements as at and for the six months period ended 30 September 2019, are not prepared, in all material respects, in accordance with the basis of preparation described in note 3.

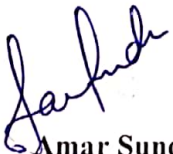
Emphasis of Matter

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

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022



Amar Sunder

Partner

Membership number: 078305

UDIN: 19078305AAAAGP3644

Place: Hyderabad

Date: 24 December 2019

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Condensed combined statement of financial position**

	Notes	As at 30 September 2019 (Unaudited)	As at 31 March 2019 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	6	957,192,897	850,524,853
Intangible assets and goodwill	7	308,375,392	245,664,501
Bank deposits		14,167,302	23,558,648
		1,279,735,591	1,119,748,002
Current assets			
Inventories		204,996	89,802
Trade receivables		151,432,070	77,596,912
Other receivables		99,121,510	9,356,357
Receivables from unrestricted group	10	66,270,390	-
Bank deposits		20,183,812	9,308,358
Taxation receivable		585,010	1,065,026
Cash and cash equivalents		50,996,801	16,555,783
		388,794,589	113,972,238
Total assets		1,668,530,180	1,233,720,240
Equity and liabilities			
Equity			
Net parent investment		373,773,546	300,412,595
Total equity		373,773,546	300,412,595
Liabilities			
Non-current liabilities			
Retirement benefit obligations		159,284	94,568
Borrowings		1,105,982,701	595,337,668
Deferred tax liabilities		137,939,156	111,026,055
Trade and other payables		9,268,562	-
Lease liabilities	4	189,026	-
		1,253,538,729	706,458,291
Current liabilities			
Borrowings		3,989,397	70,367,778
Trade and other payables		34,126,964	17,914,951
Taxation payable		3,051,172	1,344,814
Borrowings from unrestricted group	10	-	137,221,811
Lease liabilities	4	50,372	-
		41,217,905	226,849,354
Total liabilities		1,294,756,634	933,307,645
Total equity and liabilities		1,668,530,180	1,233,720,240

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

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Condensed combined statement of profit or loss and other comprehensive income**

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
Revenue	109,529,978	38,119,115
Power generation expenses	(6,862,950)	(890,861)
Employee benefits expense	(382,431)	-
Other operating expenses	(2,296,132)	(276,099)
Impairment loss on trade receivables	(1,526,121)	-
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	98,462,344	36,952,155
Depreciation and amortisation	(25,776,617)	(8,784,971)
Operating profit	72,685,727	28,167,184
Finance income	1,793,287	360,040
Finance costs	(39,279,200)	(13,200,116)
Loan restructuring costs	(13,318,178)	-
Profit before tax	21,881,636	15,327,108
Income tax expense	(4,474,986)	(4,634,259)
Profit for the period	17,406,650	10,692,849
Attributable to:		
Equity holders of the Restricted Group III	17,406,650	9,340,645
Non-controlling interests	-	1,352,204
	17,406,650	10,692,849
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(27,279,408)	(68,376)
Total other comprehensive income	(27,279,408)	(68,376)
Total comprehensive income/(loss)	(9,872,758)	10,624,473
Total comprehensive income/(loss) attributable to:		
Equity holders of the Restricted Group III	(9,872,758)	9,272,269
Non-controlling interests	-	1,352,204
	(9,872,758)	10,624,473

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

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Condensed combined statement of changes in net parent investment**

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
Opening	300,412,595	(4,563,300)
Profit for the period	17,406,650	9,340,645
Foreign currency translation adjustments	(27,279,408)	(68,376)
Contribution of net assets from Parent (refer note 3(c))*	83,281,005	-
Impact on adoption of IFRS 16, net of taxes (Note 4)	(47,296)	-
Closing	373,773,546	4,708,969

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

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

Greenko Solar (Mauritius) Limited (Restricted Group III)
(All amounts in US Dollars unless otherwise stated)
Condensed Combined statement of cash flow

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
A. Cash flows from operating activities		
Profit before tax	21,881,636	15,327,108
<i>Adjustments for</i>		
Depreciation and amortisation	25,776,617	8,784,971
Finance income	(1,793,287)	(360,040)
Finance costs	39,279,200	13,200,116
Loan restructuring costs	13,318,178	-
Impairment loss on trade receivables	1,526,121	-
<i>Changes in working capital</i>		
Inventories	(106,532)	11,591
Trade and other receivables	(64,330,357)	(24,271,429)
Trade and other payables	1,267,189	417,295
<i>Cash generated from operations</i>	36,818,765	13,109,612
Taxes paid	(2,010,166)	(1,129,660)
Net cash from operating activities	34,808,599	11,979,952
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital expenditure, net	(3,566,710)	(9,733,963)
Bank deposits	6,919,291	676,456
Interest received	1,823,495	360,040
Net cash from/(used in) investing activities	5,176,076	(8,697,467)
C. Cash flows from financing activities		
Proceeds from borrowings (Net of expenses)	941,061,005	-
Repayment of borrowings	(681,434,719)	(5,254,112)
Proceeds/(Repayment of) from borrowings from/to Unrestricted Group, net	(222,895,775)	8,776,132
Interest paid	(37,183,924)	(12,992,198)
Net cash used in financing activities	(453,413)	(9,470,178)
Net increase/(decrease) in cash and cash equivalents	39,531,262	(6,187,693)
Cash and cash equivalents at the beginning of the period	16,555,783	10,459,541
Cash and cash equivalents related to entities added to Restricted Group III*	4,638,002	-
Exchange loss on cash and cash equivalents	(9,728,246)	(587,073)
Cash and cash equivalents at the end of the period	50,996,801	3,684,775

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

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

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

1. General information

Greenko Solar (Mauritius) Limited (“Greenko Solar” or “the Company”) was incorporated on 05 July 2016 as a Private Company with Limited liability by shares and holds a Category 1 Global Business Licence issued by the Financial Services Commission and has its registered office at C/o IQ EQ Corporate Services (Mauritius) Ltd (formerly SGG Corporate Services (Mauritius) Ltd), 33, Edith Cavell Street, Port Louis 11324, Mauritius. Greenko Solar is a wholly owned subsidiary of Greenko Mauritius. Greenko Solar is duly registered as Foreign Portfolio Investor Entity with the Securities Exchange Board of India for investing in debt instruments in India.

Greenko Energy Holdings (“Greenko” or “the Parent”) together with its subsidiaries (“Greenko Group”) is in the business of owning and operating clean energy facilities in India. All the energy generated from these plants is sold to state utilities and other customers including captive consumers in India through power purchase agreements (“PPA”).

2. Purpose of the condensed combined interim financial statements

The Company has issued Senior Notes to institutional investors in July 2019 and is listed on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Solar has invested the issue proceeds, net of issue expenses in Non-Convertible Debentures (“NCDs”) of certain operating Indian subsidiaries of the Parent to replace their existing Rupee debt. These Indian subsidiaries in which Greenko Solar has invested the issue proceeds are individually called as a ‘restricted entity’ and collectively as ‘the restricted entities’. These restricted entities are under common control of the Parent and primarily comprises of wind and solar portfolio. Further, Non-convertible debentures issued to Greenko Solar by Indian subsidiaries are secured by pledge of assets of these Indian subsidiaries through an Indian trustee. Greenko Solar and restricted entities (as listed in Note 3) have been considered as a group for the purpose of financial reporting and is referred hereinafter as “Greenko Solar (Mauritius) Limited (Restricted Group III)” or “the Restricted Group III”.

The condensed combined interim financial statements have been prepared for the purpose of complying with financial reporting requirements under the indenture governing the Senior Notes. The condensed combined interim financial statements presented herein reflect the Restricted Group III’s results of operations, assets and liabilities and cash flows for the periods presented.

The financial information for the period from 1 April 2019 to 30 September 2019 are unaudited and have been reviewed. The comparatives as at 31 March 2019 are audited and have been extracted from the audited combined financial statements for the year ended 31 March 2019. The Restricted Group III has also presented the numbers for the six months period from 1 April 2018 to 30 September 2018 for comparison purpose with current period and these numbers are unaudited and are not covered under review.

The condensed combined interim financial statements are for the six months ended 30 September 2019 and are presented in US Dollars. The condensed combined interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” on a commonly used carve-out principles to present fairly the combined financial position and performance of the Restricted Group III. The basis of preparation and carve-out principles used in preparation of these combined financial statements are set out in Note 3 below.

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed combined interim financial statements****3. Basis of preparation of the condensed combined interim financial statements**

The indenture governing the Senior Notes requires Greenko Solar to prepare condensed combined interim financial statements of the Restricted Group III for the purpose of submission to the bond holders. These condensed combined interim financial statements as at and for the period ended 30 September 2019, have been prepared on a basis that combines statements of profit or loss and other comprehensive income, financial position, statement of changes in net parent investment and cash flows of the legal entities comprising Greenko Solar and Restricted entities.

a) Basis of preparation

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

	30 September 2019	31 March 2019	30 September 2018
Greenko Solar (Mauritius) Limited	100%	100%	100%
Animala Wind Power Private Limited	100%	100%	100%
Axis Wind Farms (MPR DAM) Private Limited	100%	100%	74%
Jilesh Power Private Limited*	100%	-	-
Saipuram Wind Energies Private Limited	100%	100%	100%
Orange Agar Wind Power Private Limited*	100%	100%	-
Orange Bercha Wind Power Private Limited*	100%	100%	-
Orange Charanka Solar Energy Private Limited*	100%	-	-
Orange DND Wind Power Private Limited*	100%	100%	-
Orange Jaisalmer Wind Energy Private Limited*	100%	100%	-
Orange Maha Wind Energy Private Limited*	100%	100%	-
Orange Mamatkhedha Wind Private Limited*	100%	100%	-
Orange Suvaan Energy Private Limited*	100%	-	-
Orange Uravakonda Wind Power Private Limited*	100%	100%	-
Skeiron Renewable Energy Kustagi Private Limited*	100%	100%	-
Shanay Renewables Limited*	100%	100%	-
Achintya Solar Power Private Limited*	100%	100%	-
Grinibhrit Solar Power Private Limited*	100%	100%	-
Suvarchas Solar Power Private Limited*	100%	100%	-
Vishvarupa Solar Power Private Limited*	100%	100%	-
Zuka Power Private Limited*	100%	100%	-

* Refer note 3 (c)

Management has prepared these condensed combined interim financial statements to depict the historical financial information of the Restricted Group III. The inclusion of entities in the Restricted Group III in these condensed combined interim financial statements is not an indication of exercise of control, as defined in IFRS 10 Consolidated Financial Statements, by Greenko Solar over the Restricted entities.

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

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

The condensed combined interim financial statements have been prepared in accordance with International Accounting Standards Board (“IFRS”) on a carve-out basis. As IFRS does not provide guidance for the preparation of combined financial statements, certain accounting conventions commonly used for the preparation of historical financial information have been applied in preparing the combined financial statements. The application of the specific carve-out conventions impacting the presentation of these financial statements, the areas involving a high degree of judgment or where estimates and assumptions are significant to the combined financial statements have been described in the audited combined financial statements for the year ended 31 March 2019 and has followed the same in preparation of these condensed combined interim financial statements.

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

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

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

b) Business combinations by a Restricted Group III entity

In addition, for preparation of these combined financials statements, business combinations by a restricted entity as the acquirer have been accounted for using the principles of IFRS 3 Business combination except transfer of shares of a restricted entity resulting in change of control from an unrestricted entity to a restricted entity as it does not alter the composition of the Restricted Group III and common control transactions.

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

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

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

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

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

c) Top Down Approach

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

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

Six months ended 30 September 2019:

On 1 May 2019, Greenko 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 Parent has added the Jilesh to Restricted Group III from 1 May 2019. The valuation of the assets and liabilities acquired has been carried out by Greenko Group on 01 April 2019 considering that the effect of transactions from 01 April 2019 to 01 May 2019 are not material. An adjustment has been made in the condensed combined interim financial statements to reflect the effect of this acquisition by the parent using the Top Down Approach. The fair value adjustments recorded by parent in accordance with IFRS 3 "Business Combinations" have been allocated to Jilesh and accordingly presented in these historical condensed combined interim financial statements as if it is the Restricted Group III business as of 1 May 2019.

On 29 July 2019, Greenko Solar has issued US\$ 500 million 5.55% Senior Notes due 2025 and US\$ 450 million 5.95% Senior Notes due 2026. Further on 26 September 2019, Greenko Solar has issued additional notes to the tune of US\$85 million 5.95% Senior Notes due 29 July 2026 for investment in senior secured non-convertible debentures ("NCDs") of Orange Suvaan Energy Private Limited and Orange Charanka Solar Energy Private Limited. The terms and conditions of these additional notes are similar to US\$450 Senior Notes due in 2026 and the additional notes, will be consolidated with, and form the same series as, the Original Notes issued by Greenko Solar. Accordingly, Orange Suvaan Energy Private Limited and Orange Charanka Solar Energy Private Limited are designated as restricted entities from 29 July 2019. An adjustment has been made in the condensed combined interim financial statements to reflect the net assets contributed by the Parent using the Top Down Approach. The carrying value of assets and liabilities of these entities appearing in Parent's consolidated financial statements on 31 July 2019 are considered for this purpose.

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

	Jilesh	Suvaan	Charanka	Total
Property, plant and equipment	39,666,142	78,189,492	29,027,551	146,883,185
Intangible assets	22,509,512	39,078,258	14,960,646	76,548,416
Deferred tax liabilities	(7,234,280)	(14,652,223)	(4,791,943)	(26,678,446)
Non-current borrowings	(32,510,337)	(57,163,461)	(21,834,349)	(111,508,147)
Net working capital	(11,390,973)	(1,947,881)	(2,542,020)	(15,880,874)
Bank deposits	-	5,719,411	3,559,458	9,278,869
Cash and cash equivalents	279,904	4,274,675	83,423	4,638,002
Contribution of business from Parent	11,319,968	53,498,271	18,462,766	83,281,005

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed combined interim financial statements****For the year ended 31 March 2019:**

During October 2018, the Greenko Group through its wholly owned Unrestricted Group entity entered into a definitive agreement with AT Holdings Pte Limited to acquire the equity shares of Orange Renewable Holdings Pte Limited, Singapore and its Indian subsidiaries (collectively referred as “Orange Group”). The acquisition was completed on 04 October 2018. Certain Indian operating entities of Orange Group namely Orange Agar Wind Power Private Limited, Orange Bercha Wind Power Private Limited, Orange DND Wind Power Private Limited, Orange Jaisalmer Wind Energy Private Limited, Orange Maha Wind Energy Private Limited, Orange Mamatkherda Wind Private Limited and Orange Uravakonda Wind Power Private Limited were added to Restricted Group III from 01 October 2018.

During October 2018, the Greenko Group through its wholly owned Unrestricted Group entities entered into definitive agreements with Tanti Holdings Private Limited, Golden Slam India Investments Private Limited and AEP II Holdings Pte Ltd to acquire Skeiron Green Power Private Limited and its subsidiaries (collectively referred as “Skeiron Group”). The acquisition was completed on 31 October 2018. Certain Indian operating entities of Skeiron Group namely Skeiron Renewable Energy Kustagi Private Limited and Shanay Renewables Limited were added to Restricted Group III from 31 October 2018.

The Greenko Group through its wholly owned Unrestricted Group entities has acquired 49% shareholding in Achintya Solar Power Private Limited, Grinibhrit Solar Power Private Limited, Suvarchas Solar Power Private Limited and Vishvarupa Solar Power Private Limited from Karvy Group and Zuka Power Private Limited from SunEdison Group in earlier years (collectively referred as “Solar entities”). During March 2019, the Greenko Group has acquired the balance 51% shareholding of Zuka Power Private Limited from SunEdison Group. Pursuant to the conditions being met in March 2019, the Greenko Group obtained the control over the Board of Karvy solar entities including the power to direct the relevant activities of the investee unilaterally.

Fair value of assets and liabilities arising from entities added to Restricted Group III are as follows:

	Orange entities	Skeiron entities	Solar entities	Total
Property, plant and equipment	399,594,803	61,823,206	80,488,282	541,906,291
Intangible assets	176,772,086	12,644,618	46,023,360	235,440,064
Deferred tax liabilities	(56,991,124)	(5,815,322)	(15,065,676)	(77,872,122)
Non-current borrowings	(310,846,925)	(48,449,582)	(98,568,135)	(457,864,642)
Net working capital	27,965,867	1,016,139	9,534,557	38,516,563
Bank deposits	10,287,899	-	5,035,782	15,323,681
Cash and cash equivalents	5,498,481	68,311	314,388	5,881,180
Contribution of business from Parent	252,281,087	21,287,370	27,762,558	301,331,015

An adjustment has been made in the combined financial statements to reflect the effect of these acquisitions by the parent using the Top Down Approach. The fair value adjustments recorded by parent in accordance with IFRS 3 “Business Combinations” have been allocated to the Restricted Group III entities and accordingly presented in these historical combined financial statements as if it is the Restricted Group III business as of the acquisition date.

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

4. Significant accounting policies

The condensed combined interim financial statements have been prepared in accordance with the accounting policies adopted in the Restricted Group III audited combined financial statements for the year ended 31 March 2019 except for the changes to the accounting policies on adoption of IFRS 16, “Lease” as described below. The presentation of the condensed combined interim financial statements is in consistent with the audited combined financial statements.

The changes in accounting policies are also expected to be reflected in the Restricted Group III’s combined financial statements as at and for the year ending 31 March 2020.

IFRS 16, Leases:

The Restricted Group III has initially adopted IFRS 16 Leases from 1 April 2019. The Restricted Group III has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised as retained earnings at 1 April 2019. Accordingly, the comparative information presented for 30 September 2019 has not been restated-i.e., it is presented, as previously reported, under IAS 17 and related interpretations.

The Restricted Group III has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the incremental borrowing rate at the date of initial application.

On transition to IFRS 16, the Restricted Group III elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

The Restricted Group III also elected to use the recognition exemption for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (“short-term leases”) and lease contracts for which the underlying asset is of low value (“low value assets”).

The Restricted Group III leases assets like office premises, land for development of plants, vehicles and office equipment. As a lessee, the Restricted Group III previously classified leases as operating, or finance leases based on its assessment or whether the lessee transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Restricted Group III recognises right-of-use assets and lease liabilities for most leases.

On 1 April 2019, the Restricted Group III recognized lease liabilities of US\$267,195 (presented as a separate line item on face of the statement of financial position) and right-of-use assets of US\$ 201,670 as at 1 April 2019 (presented as part of property, plant and equipment). The cumulative effect of applying the standard US\$47,296 net of taxes was recognised in net parent investment as at 1 April 2019. The Restricted Group has reclassified the prepayments of US\$46,825 to right-of-use asset as at 1 April 2019. The adoption of the standard did not have any material impact on the financial results for the current period.

The updated accounting policies of the Restricted Group III, effective 1 April 2019, upon adoption of IFRS 16, “Leases” are as follows:

As lessee, the Restricted Group III assesses whether a contract contains a lease at inception of such contract. The Restricted Group III recognises a right-of-use asset and a corresponding lease liability for all arrangements in which it is a lessee, except for short-term leases and low value leases. For these short-term and low value leases, the Restricted Group III recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

The lease liability is initially measured at the present value of the future lease payments as from the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate in the respective markets.

The right-of-use assets are initially recognised on the statements of financial position at cost, which is calculated as the amount of the initial measurement of the corresponding lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any lease incentive received and any initial direct costs incurred by the Group.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are assessed for impairment whenever there is an indication that the statements of financial position carrying amount may not be recoverable using cash flow projections for the useful life.

5. Use of estimates and judgements

The preparation of interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed combined interim financial statements, the significant judgments made by management in applying the Restricted Group III's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited combined financial statements as at and for the year ended 31 March 2019 except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 16, which is disclosed in Note 4 above.

Greenko Solar (Mauritius) Limited (Restricted Group III)
(All amounts in US Dollars unless otherwise stated)
Notes to the condensed combined interim financial statements
6. Property, plant and equipment

	Land	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Right of use assets	Capital work-in-progress	Total
Cost								
At 1 April 2018	2,122,205	5,557,892	298,256,943	274,205	99,079	-	30,857,048	337,167,372
Additions	486,443	339,461	16,132,007	86,854	-	-	679,367	17,724,132
Addition of entities to Restricted Group III (Refer note 3(c))	15,191,198	1,809,724	524,197,390	534,423	47,282	-	126,274	541,906,291
Disposals/Capitalisation	-	-	(3,921)	-	-	-	(19,357,492)	(19,361,413)
Exchange differences	560,416	(281,223)	8,831,518	5,990	(4,364)	-	(2,030,884)	7,081,453
At 31 March 2019	18,360,262	7,425,854	847,413,937	901,472	141,997	-	10,274,313	884,517,835
Additions	65,890	-	694	33,850	28,731	-	287,210	416,375
Addition of entities to Restricted Group III (Refer note 3(c))	7,054,505	1,399,451	140,847,118	266,415	11,941	-	-	149,579,430
Recognised on adoption of IFRS 16 (Refer Note 4)	-	-	-	-	-	201,670	-	201,670
Reclassified on adoption of IFRS16	(46,825)	-	-	-	-	46,825	-	-
Disposals	-	-	(83,612)	(18,310)	-	-	-	(101,922)
Exchange differences	(559,188)	(189,763)	(21,717,335)	(25,967)	(3,610)	(5,343)	(203,318)	(22,704,524)
At 30 September 2019	24,874,644	8,635,542	966,460,802	1,157,460	179,059	243,152	10,358,205	1,011,908,864
Accumulated depreciation								
At 1 April 2018	40,744	189,088	11,715,394	60,902	37,378	-	-	12,043,506
Charge for the year	6,637	194,807	22,072,639	123,421	37,831	-	-	22,435,335
Disposals	-	-	(293)	-	-	-	-	(293)
Exchange differences	(2,364)	(9,262)	(469,748)	(2,353)	(1,839)	-	-	(485,566)
At 31 March 2019	45,017	374,633	33,317,992	181,970	73,370	-	-	33,992,982
Addition of entities to Restricted Group III (Refer note 3(c))	-	-	2,658,220	37,886	139	-	-	2,696,245
Reclassified on adoption of IFRS16	(45,017)	-	-	-	-	45,017	-	-
Charge for the period	-	150,781	18,691,516	153,717	12,770	25,997	-	19,034,781
Disposals	-	-	(3,917)	(6,938)	-	-	-	(10,855)
Exchange differences	-	(9,613)	(978,215)	(6,409)	(1,714)	(1,235)	-	(997,186)
At 30 September 2019	-	515,801	53,685,596	360,226	84,565	69,779	-	54,715,967
Net book value								
At 30 September 2019	24,874,644	8,119,741	912,775,206	797,234	94,494	173,373	10,358,205	957,192,897
At 31 March 2019	18,315,245	7,051,221	814,095,945	719,502	68,627	-	10,274,313	850,524,853

Greenko Solar (Mauritius) Limited (Restricted Group III)
(All amounts in US Dollars unless otherwise stated)
Notes to the condensed combined interim financial statements
7. Intangible assets and goodwill

	Licences	Electricity PPAs	Development fee	Goodwill	Total
Cost					
At 1 April 2018	2,767,528	-	-	1,590,247	4,357,775
Addition of entities to Restricted Group III	-	235,270,141	169,923	-	235,440,064
Exchange differences	(165,244)	11,314,974	11,448	(94,951)	11,066,227
At 31 March 2019	2,602,284	246,585,115	181,371	1,495,296	250,864,066
Addition of entities to Restricted Group III (Note 3(c))	-	78,537,244	-	-	78,537,244
Exchange differences	(55,955)	(7,236,590)	(3,900)	(32,152)	(7,328,597)
At 30 September 2019	2,546,329	317,885,769	177,471	1,463,144	322,072,713
Accumulated amortisation					
At 1 April 2018	111,308	-	-	-	111,308
Amortisation for the year	103,019	4,936,357	3,041	-	5,042,417
Exchange differences	(5,574)	51,383	31	-	45,840
At 31 March 2019	208,753	4,987,740	3,072	-	5,199,565
Addition of entities to Restricted Group III (Note 3 (c))	-	1,988,828	-	-	1,988,828
Amortisation for the period	51,599	6,686,555	3,682	-	6,741,836
Exchange differences	(5,021)	(227,785)	(102)	-	(232,908)
At 30 September 2019	255,331	13,435,338	6,652	-	13,697,321
Net book value					
At 30 September 2019	2,290,998	304,450,431	170,819	1,463,144	308,375,392
At 31 March 2019	2,393,531	241,597,375	178,299	1,495,296	245,664,501

8. Segment reporting

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

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

Revenues from four major customers relating to power generating activities for the six months ended 30 September 2019 represent US\$ 72,541,300 (30 September 2018: US\$ 38,119,115) of the total revenue.

Greenko Solar (Mauritius) Limited (Restricted Group III)*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed combined interim financial statements**

9. In July 2019, the Company, raised funds of US\$500 million and US\$450 million by issuing 5.55% and 5.95% US\$ Senior Notes (the Senior Notes) respectively from 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. Further on 26 September 2019, the Company has issued additional notes to the tune of US\$85 million 5.95% Senior Notes due 29 July 2026. The terms and conditions of these additional notes are similar to US\$450 Senior Notes due on 29 July 2026.

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, the Company 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, the Company is duly registered as a Foreign Portfolio Investor under the Indian law. The Senior Notes are secured by corporate guarantee of the parent and pledge of shares of the Company owned by Greenko Mauritius. Non-convertible debentures issued to the Company 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.

10. Related-party transactions

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

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

	30 September 2019	31 March 2019
Inter-company loans taken/(given), net	(222,895,775)	31,572,470
Project management fee	176,724	305,656
Interest on CCDs	1,295,805	1,264,682
Contribution of net assets from Parent (refer note 3 (c))	83,281,005	301,331,015

- b. Balance receivable/(payable) from/to the Unrestricted Group (inter-company loans):

	30 September 2019	31 March 2019
Balance receivable	89,296,560	32,370,215
Balance payable	(23,026,170)	(169,592,026)
Net receivable/ (payable)	66,270,390	(137,221,811)

- c. 17% Compulsorily Convertible Debentures

	30 September 2019	31 March 2019
Debentures to Unrestricted Group	15,046,117	15,376,753
	15,046,117	15,376,753

- d. The inter company loans are interest free and repayable on demand by Unrestricted Group.
- e. The Parent has given corporate guarantee for the Senior Notes aggregating to US\$1,035,000,000 and Greenko Mauritius pledged the shares held in the Company.

Greenko Solar (Mauritius) Limited (Restricted Group III)

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed combined interim financial statements

11. On 20 September 2019, the Government of India promulgated the Taxation Law (Amendment) Ordinance, 2019 (“Ordinance”), announcing key changes to corporate tax rates in the Income-tax Act, 1961 and enacted through the Taxation Laws (Amendment) Bill, 2019 (“Amendment Bill”). The key changes include, reduction of Minimum alternate tax (“MAT”) rate from 18.50% to 15% (excluding surcharge and cess) and an option to pay regular income tax at 22% subject to certain conditions. The Restricted Group III is in the process of evaluating the options available in the Amendment Bill. Pending evaluation, the Restricted Group III has not given any effect of the Amendment Bill in the financial results.

12. Subsequent events

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



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INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Directors of Greenko Energy Holdings

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Greenko Energy Holdings as at 30 September 2019, 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 2019 are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

KPMG
Ebène, Mauritius

Imtiaz Ajeda
Licensed by FRC

Date: **18 December 2019**

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

	Notes	As at 30 September 2019 (Unaudited)	As at 31 March 2019 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	6	4,210,368,175	4,283,335,366
Intangible assets and goodwill	5	1,098,763,653	1,121,293,466
Equity-accounted investees	12	10,381	176,903
Bank deposits		66,484,416	73,317,619
Derivative financial assets		255,807,058	253,164,484
Other receivables		21,684,453	19,794,406
		5,653,118,136	5,751,082,244
Current assets			
Inventories		7,209,009	5,130,486
Trade receivables		493,988,384	288,118,415
Other receivables		240,986,892	79,715,935
Other investments		3,249,051	3,214,442
Bank deposits		105,031,627	77,386,152
Taxation receivable		8,033,886	9,815,085
Cash and cash equivalents		133,543,943	214,393,912
		992,042,792	677,774,427
Total assets		6,645,160,928	6,428,856,671
Equity and liabilities			
Equity			
Share capital		1,447,387,931	1,415,804,775
Currency translation reserve		(166,988,911)	(85,973,246)
Other reserves		(2,755,558)	(2,755,558)
Retained earnings		123,036,566	67,388,283
Equity attributable to owners of the Company		1,400,680,028	1,394,464,254
Non-controlling interests		20,061,885	18,190,340
Total equity		1,420,741,913	1,412,654,594
Liabilities			
Non-current liabilities			
Retirement benefit obligations		2,826,371	3,000,092
Borrowings		4,216,747,832	3,834,665,419
Other financial liabilities		105,092,321	125,552,511
Deferred tax liabilities, net		436,775,265	429,997,515
Trade and other payables		18,473,953	65,179,049
Lease liabilities	3	8,071,421	-
		4,787,987,163	4,458,394,586
Current liabilities			
Borrowings		158,164,147	267,247,426
Trade and other payables		223,139,770	238,363,098
Other financial liabilities		38,546,717	45,795,248
Lease liabilities	3	683,113	-
Taxation payable		15,898,105	6,401,719
		436,431,852	557,807,491
Total liabilities		5,224,419,015	5,016,202,077
Total equity and liabilities		6,645,160,928	6,428,856,671

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

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

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
Revenue	415,684,798	275,596,077
Other operating income	932,093	885,393
Cost of material and power generation expenses	(27,141,150)	(17,421,036)
Employee benefits expense	(9,077,420)	(6,109,522)
Other operating expenses	(12,063,606)	(8,764,982)
Impairment loss on trade receivables	(8,324,369)	(3,571,711)
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost (Note 13)	10,976,796	-
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	370,987,142	240,614,219
Depreciation and amortisation	(98,448,162)	(61,417,197)
Operating profit	272,538,980	179,197,022
Finance income	38,353,062	54,513,779
Finance costs	(197,277,262)	(114,219,341)
Loan restructuring costs (Note 10)	(21,120,020)	-
	92,494,760	119,491,460
Share of loss from equity-accounted investees	(849)	(256,441)
Profit before tax	92,493,911	119,235,019
Taxation	(34,128,974)	(32,011,717)
Profit for the period	58,364,937	87,223,302
Profit for the period attributable to:		
Owners of the Company	56,493,392	84,872,670
Non – controlling interests	1,871,545	2,350,632
	58,364,937	87,223,302
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	(81,015,665)	(272,531,693)
Total other comprehensive income	(81,015,665)	(272,531,693)
Total comprehensive income	(22,650,728)	(185,308,391)
Total comprehensive income attributable to:		
Owners of the Company	(24,522,273)	(187,659,023)
Non-controlling interests	1,871,545	2,350,632
	(22,650,728)	(185,308,391)

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

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of changes in equity

Six months ended 30 September 2019:

	Ordinary shares	Currency translation reserve	Other reserves	Retained earnings	Total attributable to owners of Company	Non- controlling interests	Total equity
At 1 April 2019	1,415,804,775	(85,973,246)	(2,755,558)	67,388,283	1,394,464,254	18,190,340	1,412,654,594
Impact on adoption of IFRS 16, net of taxes (note 3)	-	-	-	(845,109)	(845,109)	-	(845,109)
Adjusted balance as of 1 April 2019	1,415,804,775	(85,973,246)	(2,755,558)	66,543,174	1,393,619,145	18,190,340	1,411,809,485
Issue of ordinary shares	31,583,156	-	-	-	31,583,156	-	31,583,156
	31,583,156	-	-	-	31,583,156	-	31,583,156
Profit for the period	-	-	-	56,493,392	56,493,392	1,871,545	58,364,937
Exchange differences on translating foreign operations	-	(81,015,665)	-	-	(81,015,665)	-	(81,015,665)
Total comprehensive income	-	(81,015,665)	-	56,493,392	(24,522,273)	1,871,545	(22,650,728)
At 30 September 2019	1,447,387,931	(166,988,911)	(2,755,558)	123,036,566	1,400,680,028	20,061,885	1,420,741,913

Six months ended 30 September 2018:

At 1 April 2018	967,697,800	36,964,977	(1,295,174)	28,677,907	1,032,045,510	(2,455,100)	1,029,590,410
Adjustment on initial application of IFRS 9	-	-	(51,859)	51,859	-	-	-
Adjusted balance as of 1 April 2018	967,697,800	36,964,977	(1,347,033)	28,729,766	1,032,045,510	(2,455,100)	1,029,590,410
Issue of ordinary shares	448,106,965	-	-	-	448,106,965	-	448,106,965
	448,106,965	-	-	-	448,106,965	-	448,106,965
Profit for the period	-	-	-	84,872,670	84,872,670	2,350,632	87,223,302
Exchange differences on translating foreign operations	-	(272,531,693)	-	-	(272,531,693)	-	(272,531,693)
Total comprehensive income	-	(272,531,693)	-	84,872,670	(187,659,023)	2,350,632	(185,308,391)
At 30 September 2018	1,415,804,765	(235,566,716)	(1,347,033)	113,602,436	1,292,493,452	(104,468)	1,292,388,984

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

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of cash flow

	Six months ended 30 September 2019 (Unaudited)	Six months ended 30 September 2018 (Unaudited)
A. Cash flows from operating activities		
Profit before taxation	92,493,911	119,235,019
<i>Adjustments for</i>		
Depreciation and amortisation	98,448,162	61,417,197
Finance income	(38,353,062)	(54,513,779)
Finance costs	197,277,262	114,219,341
Loan restructuring costs	21,120,020	-
Impairment loss on trade receivables	8,324,369	3,571,711
Share of loss from equity-accounted investees	849	256,441
Excess of Group's interest in the fair value of acquiree's assets and liabilities over cost	(10,976,796)	-
<i>Changes in working capital</i>		
Inventories	(2,199,863)	(859,309)
Trade and other receivables	(217,249,426)	(154,638,705)
Trade and other payables	(13,160,537)	4,185,060
<i>Cash generated from operations</i>	135,724,889	92,872,976
Taxes paid, net	(12,296,349)	(5,276,983)
Net cash from operating activities	123,428,540	87,595,993
B. Cash flows from investing activities		
Purchase of property, plant and equipment and capital expenditure, net	(61,559,967)	(48,479,173)
Acquisition of business, net of cash and cash equivalents acquired	279,904	-
Consideration paid for acquisitions made by subsidiaries	(15,847,181)	(2,905,560)
Advance for purchase of equity	(1,372,213)	(4,378,923)
Advances given to equity-accounted investees	(97,875,403)	-
Amounts refunded by equity-accounted investees	179,226	4,659,448
Bank deposits	(24,130,650)	(70,628,972)
Interest received	20,947,027	7,057,066
Net cash used in investing activities	(179,379,257)	(114,676,114)
C. Cash flows from financing activities		
Proceeds from issue of shares (Net of expenses)	31,583,156	448,106,965
Proceeds from borrowings (Net of expenses)	1,495,141,247	200,529,780
Repayment of borrowings	(1,281,696,495)	(158,704,509)
Proceeds from capital subsidy	222,271	-
Payment of lease liabilities	(789,127)	-
Interest paid (including loan restructuring costs)	(261,900,678)	(133,474,968)
Net cash from/(used in) financing activities	(17,439,626)	356,457,268
Net increase/(decrease) in cash and cash equivalents	(73,390,343)	329,377,147
Cash and cash equivalents at the beginning of the period	214,393,912	94,712,763
Exchange losses on cash and cash equivalents	(7,459,626)	(1,602,533)
Cash and cash equivalents at the end of the period	133,543,943	422,487,377

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

Greenko Energy Holdings

(All amounts in US Dollars 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 2019 and are presented in US Dollars. 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 2019.

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 2019 to 30 September 2019 and 1 April 2018 to 30 September 2018 are unaudited and have been reviewed. The comparatives as at 31 March 2019 are audited and have been extracted from the audited consolidated financial statements for the year ended 31 March 2019.

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 2019 except for the changes to the accounting policies on adoption of IFRS 16, “Leases” as described below. The presentation of the condensed consolidated interim financial statements is consistent with the audited consolidated financial statements.

The changes in accounting policies are also expected to be reflected in the Group’s consolidated financial statements as at and for the year ending 31 March 2020.

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed consolidated interim financial statements

3. Significant accounting policies (continued)

IFRS 16, Leases:

The Group has initially adopted IFRS 16 *Leases* from 1 April 2019. The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised as retained earnings at 1 April 2019. Accordingly, the comparative information presented for 30 September 2019 has not been restated-i.e., it is presented, as previously reported, under IAS 17 and related interpretations.

The Group has recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the incremental borrowing rate at the date of initial application.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It has applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

The Group also elected to use the recognition exemption for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ("short-term leases") and lease contracts for which the underlying asset is of low value ("low value assets").

The Group leases assets like office premises, land for development of plants, vehicles and office equipment. As a lessee, the Group previously classified leases as operating, or finance leases based on its assessment or whether the lessee transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases.

On 1 April 2019, the Group recognized lease liabilities of US\$ 9,257,329 (presented as a separate line item on face of the statement of financial position) and right-of-use assets of US\$ 8,087,510 as at 1 April 2019 (presented as part of property, plant and equipment). The cumulative effect of applying the standard US\$ 845,109 net of taxes was recognised in retained earnings as at 1 April 2019. The Group has reclassified the prepayments of US\$ 5,708,100 to right-of-use asset as at 1 April 2019. The adoption of the standard did not have any material impact on the financial results for the current period.

The updated accounting policies of the Company, effective 1 April 2019, upon adoption of IFRS 16, "Leases" are as follows:

As lessee, the Group assesses whether a contract contains a lease at inception of such contract. The Group recognises a right-of-use asset and a corresponding lease liability for all arrangements in which it is a lessee, except for short-term leases and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the future lease payments as from the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Group's incremental borrowing rate in the respective markets.

The right-of-use assets are initially recognised on the statements of financial position at cost, which is calculated as the amount of the initial measurement of the corresponding lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any lease incentive received and any initial direct costs incurred by the Group.

Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are assessed for impairment whenever there is an indication that the statements of financial position carrying amount may not be recoverable using cash flow projections for the useful life.

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed consolidated interim financial statements

4. Use of estimates and judgements

The preparation of interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed 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 2019 except for new significant judgments and key sources of estimation uncertainty related to the application of IFRS 16, which are disclosed in Note 3 above.

5. Intangible assets and goodwill

	Licences	Electricity PPAs	Development fees	Goodwill	Total
Cost					
At 1 April 2018	140,068,813	243,968,278	35,661,691	258,681,631	678,380,413
Acquisition through business combination (Refer Note 13)	-	512,023,455	10,331,178	-	522,354,633
Exchange differences	(12,124,392)	12,672,904	(1,433,273)	(15,445,354)	(16,330,115)
At 31 March 2019	127,944,421	768,664,637	44,559,596	243,236,277	1,184,404,931
Acquisition through business combination (Refer Note 13)	-	22,509,512	-	-	22,509,512
Exchange differences	(2,751,103)	(17,012,091)	(958,135)	(5,230,147)	(25,951,476)
At 30 September 2019	125,193,318	774,162,058	43,601,461	238,006,130	1,180,962,967
Accumulated amortisation and impairment					
At 1 April 2018	9,168,004	12,275,491	-	-	21,443,495
Amortisation for the year	2,444,459	23,308,982	1,572,603	-	27,326,044
Impairment charge for the year	-	-	-	18,322,348	18,322,348
Exchange differences	(4,283,721)	(278,039)	19,774	561,564	(3,980,422)
At 31 March 2019	7,328,742	35,306,434	1,592,377	18,883,912	63,111,465
Amortisation for the period	1,244,181	18,487,565	926,482	-	20,658,228
Exchange differences	(170,433)	(950,091)	(43,807)	(406,048)	(1,570,379)
At 30 September 2019	8,402,490	52,843,908	2,475,052	18,477,864	82,199,314
Net book value					
At 30 September 2019	116,790,828	721,318,150	41,126,409	219,528,266	1,098,763,653
At 31 March 2019	120,615,679	733,358,203	42,967,219	224,352,365	1,121,293,466

Greenko Energy Holdings
(All amounts in US Dollars 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 2018	66,912,882	330,917,769	2,539,330,674	7,841,418	4,361,315	-	189,472,106	3,138,836,164
Acquisition through business combination (Refer Note 13)	29,414,409	2,900,596	1,065,401,237	925,144	195,113	-	146,451,744	1,245,288,243
Additions	2,526,944	2,079,911	145,327,373	1,528,966	127,121	-	278,424,346	430,014,661
Disposals/capitalisation	-	-	(209,598)	(33,749)	(256,236)	-	(133,419,324)	(133,918,907)
Exchange differences	(2,598,408)	(19,661,295)	(92,494,230)	(416,159)	(257,476)	-	(6,760,001)	(122,187,569)
At 31 March 2019	96,255,827	316,236,981	3,657,355,456	9,845,620	4,169,837	-	474,168,871	4,558,032,592
Acquisition through business combination (Refer Note 13)	4,081,504	1,399,451	34,066,253	107,827	11,109	-	21,023	39,687,167
Additions	1,156,918	12,487,578	91,806,553	278,901	38,658	-	48,920,362	154,688,970
Recognised on adoption of IFRS 16 (Refer Note 3)	-	-	-	-	-	8,087,510	-	8,087,510
Reclassified on adoption of IFRS16	(5,708,100)	-	-	-	-	5,708,100	-	-
Disposals/capitalisation	-	-	(522,603)	(19,303)	(10,170)	-	(104,504,515)	(105,056,591)
Exchange differences	(2,046,697)	(6,958,881)	(80,225,372)	(216,704)	(90,195)	(296,638)	(9,402,574)	(99,237,061)
At 30 September 2019	93,739,452	323,165,129	3,702,480,287	9,996,341	4,119,239	13,498,972	409,203,167	4,556,202,587
Accumulated depreciation								
At 1 April 2018	1,907	17,810,867	143,547,209	1,616,555	833,366	-	-	163,809,904
Charge for the year	169,309	9,478,948	107,452,877	1,488,837	555,706	-	-	119,145,677
Disposals	-	-	(4,666)	(5,269)	(84,191)	-	-	(94,126)
Exchange differences	4,965	(971,055)	(7,074,727)	(78,331)	(45,081)	-	-	(8,164,229)
At 31 March 2019	176,181	26,318,760	243,920,693	3,021,792	1,259,800	-	-	274,697,226
Charge for the period	-	4,994,474	70,943,928	944,873	292,045	614,614	-	77,789,934
Disposals	-	-	(28,002)	(7,881)	(9,661)	-	-	(45,544)
Reclassified on adoption of IFRS16	(176,181)	-	-	-	-	176,181	-	-
Exchange differences	-	(617,492)	(5,874,920)	(74,652)	(30,005)	(10,135)	-	(6,607,204)
At 30 September 2019	-	30,695,742	308,961,699	3,884,132	1,512,179	780,660	-	345,834,412
Net book values								
At 30 September 2019	93,739,452	292,469,387	3,393,518,588	6,112,209	2,607,060	12,718,312	409,203,167	4,210,368,175
At 31 March 2019	96,079,646	289,918,221	3,413,434,763	6,823,828	2,910,037	-	474,168,871	4,283,335,366

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed consolidated interim financial statements

7. Capital commitments

Capital expenditure contracted for as at 30 September 2019 but not yet incurred aggregated to US\$ 252,206,638 (31 March 2019: US\$ 416,176,013).

8. In July 2019, Greenko Solar (Mauritius) Limited ("GSML"), raised funds of US\$500 million and US\$450 million by issuing 5.55% and 5.95% US\$ Senior Notes (the Senior Notes) respectively from 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. Further on 26 September 2019, GSML has issued additional notes to the tune of US\$85 million 5.95% Senior Notes due 29 July 2026. The terms and conditions of these additional notes are similar to US\$450 Senior Notes due on 29 July 2026.

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 parent 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.

9. In August 2019, Greenko Mauritius, raised funds of US\$435 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 invested issue proceeds, net of issue expenses, to repay the existing debt. 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.
10. During the period, the Group has raised US\$ denominated Senior Notes (Refer note 8 and 9) and invested the proceedings to repay the existing US\$ debt and invested in INR Non-convertible debentures of certain Indian subsidiaries to enable repayment of existing rupee loans. Loan restructuring costs amounting to US\$ 21,120,020 represents the cost of prepayment and unamortised transaction costs of existing rupee loans.

11. 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 20.00 % in the Company.
- b) The following transactions were carried out with related parties:

Key management compensation

	30 September 2019	30 September 2018
Short-term employee benefits		
Mr. Om Prakash Bhatt	122,500	122,500
Mr. Kunnasagaran Chinniah	37,500	37,500
Mr. Sriram Yarlagaadda	10,624	37,500
Mr. Nassereddin Mukhtar Munjee	34,375	-
Total short-term employee benefits	204,999	197,500

- c) During the period, the Company has issued 12,000,000 Class A ordinary shares to Horizontes Capital Partners Ltd, in which Anil Kumar Chalamalasetty and Mahesh Kolli (Non-executive directors) have a beneficial interest.

Greenko Energy Holdings*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed consolidated interim financial statements****11. Related-party transactions (continued)****d) Equity-accounted investees**

	30 September 2019	31 March 2019
Amount receivable	109,306,475	32,797,471
Amount payable	774,348	1,932,002

12. Equity-accounted investees

The Group also has interests in seven 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 2019	31 March 2019
Carrying amount of interests in associates	176,903	7,429,102
Additional investment during the period/year	-	696,498
Transfer on account of business combination (Note 13)	(165,673)	(8,102,659)
Share of:		
Profit/(loss) from continuing operations	(849)	153,962
	10,381	176,903

13. Business combinations**During the current period:**

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 Group has accounted for the above transactions under IFRS 3, “Business Combinations” in the condensed consolidated interim 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:

	Amount
Purchase consideration:	
- Advance for purchase of equity	166,267
- Investment in associates	165,673
Total purchase consideration	331,940
Fair value of net assets acquired	11,308,736
Excess of group’s interest in the fair value of acquiree’s assets and liabilities over cost	(10,976,796)

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

	Amount
Property, plant and equipment	39,687,167
Intangible assets	22,509,512
Long term loans and advances	238,687
Working capital (net)	(11,661,917)
Cash and cash equivalents	279,904
Borrowings	(32,510,337)
Deferred tax liability	(7,234,280)
Net assets	11,308,736

Greenko Energy Holdings*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed consolidated interim financial statements****13. Business combinations (continued)****Net cash outflow on account of business combinations**

	Total
Total purchase consideration	331,940
Advances and investments in associates	(331,940)
Cash and cash equivalents	279,904
Net cash inflow on acquisitions	279,904

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 condensed consolidated interim financial statements.

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 entity and bilateral negotiations between parties which has resulted into bargain purchase to the Group.

The amounts of revenue and profit related to Jilesh since the acquisition date included in the condensed consolidated interim statement of profit or loss for the reporting period is US\$ 3,590,296 and US\$ 31,643, respectively.

31 March 2019:

- a) During October 2018, the Company through its wholly owned subsidiary Greenko Power Projects (Mauritius) Limited ("GPPM") entered into a definitive agreement with AT Holdings Pte Limited to acquire the equity shares of Orange Renewable Holdings Pte Limited, Singapore and certain target Indian subsidiaries (collectively referred as "Orange Group").

The transaction primarily involved acquisition of selected portfolio of wind and solar power projects in India. The selected portfolio consists of 707 MW operational wind and solar projects and 200 MW under development wind project. The acquisition was completed on 04 October 2018. However, the valuation of the acquired assets and liabilities has been carried out on 01 October 2018 considering that the effect of transactions from 01 October 2018 to 04 October 2018 are not material to the consolidated financial statements.

- b) During October 2018, the Company through its wholly owned subsidiaries Greenko Energies Private Limited ("GEPL") and Wind Power Projects (Mauritius) Limited ("WPP") entered into definitive agreements with Tanti Holdings Private Limited, Golden Slam India Investments Private Limited and AEP II Holdings Pte Ltd to acquire Skeiron Green Power Private Limited and its subsidiaries (collectively referred as "Skeiron Group").

The transaction primarily involved acquisition of selected portfolio of 384 MW operating wind power projects in India. The acquisition was completed on 31 October 2018 and the valuation of the acquired assets and liabilities has been carried out on 31 October 2018.

- c) During December 2018, the Company through its wholly owned subsidiary Greenko East Coast Power Projects Private Limited has acquired the control of Himachal Sorang Power Private Limited (HSPPL) post the approval of Government of Himachal Pradesh for transfer of equity from Taqa India Power Ventures Private Limited. The transaction primarily involved acquisition of 100 MW hydro project which is near completion stage and situated in Himachal Pradesh, India (Himachal Sorang). The acquisition was completed on 31 December 2018 and the valuation of the acquired assets and liabilities has been carried out on 31 December 2018.
- d) The Group through its subsidiaries has acquired 49% shareholding in below solar entities from SunEdison Group and Karvy Group in earlier years (collectively referred as "Solar entities"). These entities are operating entities with a capacity of 180 MW. During November 2018 and March 2019, the Group has acquired the balance 51% shareholding of below SunEdison solar entities. Pursuant to the conditions being met in March 2019, the Group obtained the control over the Board of Karvy solar entities including the power to direct the relevant activities of the investee unilaterally.

Greenko Energy Holdings
(All amounts in US Dollars unless otherwise stated)
Notes to the condensed consolidated interim financial statements
13. Business combinations (continued)

Sl. No.	Entity	Acquired from	Control obtained during
1.	SEI Green Flash Private Limited	SunEdison	November 2018
2.	SEI Arushi Private Limited	SunEdison	November 2018
3.	Zuka Power Private Limited	SunEdison	March 2019
4.	Rain Coke Limited	SunEdison	March 2019
5.	Suvarchas Solar Power Limited	Karvy	March 2019
6.	Vishvarupa Solar Power Limited	Karvy	March 2019
7.	Achintya Solar Power Limited	Karvy	March 2019
8.	Grinibhrit Solar Power Limited	Karvy	March 2019

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 bargain purchase to the Group.

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:

	Orange entities	Skeiron entities	Solar entities	Himachal sorang	Total
Purchase consideration:					
- Cash paid	377,826,623	113,833,130	-	-	491,659,753
- Advance for purchase of	-	-	10,834,165	-	10,834,165
- Investment in associates	-	-	8,102,659	-	8,102,659
- Deferred consideration*	15,862,865	25,082,425	-	-	40,945,290
- Contingent consideration*	16,149,724	7,189,252	-	-	23,338,976
Total purchase consideration	409,839,212	146,104,807	18,936,824	-	574,880,843
Fair value of net assets	414,902,118	195,764,985	55,243,400	9,790,450	675,700,953
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost	(5,062,906)	(49,660,178)	(36,306,576)	(9,790,450)	(100,820,110)

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

	Orange entities	Skeiron entities	Solar entities	Himachal sorang	Total
Property, plant and equipment	624,554,363	342,838,791	147,121,769	130,773,320	1,245,288,243
Intangible assets	288,156,159	162,498,894	71,699,580	-	522,354,633
Long term loans and advances	35,248,901	-	5,003,467	2,640,286	42,892,654
Other investments	30,221,490	3,450,632	-	-	33,672,122
Working capital (net)	39,562,410	43,029,224	23,546,208	(18,736,315)	87,401,527
Bank deposits	11,045,270	-	7,112,939	1,120,691	19,278,900
Cash and cash equivalents	10,668,366	831,398	342,524	171,684	12,013,972
Borrowings	(457,473,073)	(297,442,614)	(123,686,643)	(99,833,588)	(978,435,918)
Other payables	(54,156,692)	-	(52,108,296)	(4,734,529)	(110,999,517)
Deferred tax liability	(112,925,076)	(59,441,340)	(23,788,148)	-	(196,154,564)
Contingent liability	-	-	-	(1,611,099)	(1,611,099)
Net assets	414,902,118	195,764,985	55,243,400	9,790,450	675,700,953

Greenko Energy Holdings*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed consolidated interim financial statements****13. Business combinations (continued)****Net cash outflow on account of business combinations**

	Orange entities	Skeiron entities	Solar entities	Himachal sorang	Total
Total purchase consideration	409,839,212	146,104,807	18,936,824	-	574,880,843
Advances and investments in associates	-	-	(18,936,824)	-	(18,936,824)
Consideration payable*	(32,012,589)	(32,271,677)	-	-	(64,284,266)
Cash and cash equivalents	(10,668,366)	(831,398)	(342,524)	(171,684)	(12,013,972)
Net cash outflow on acquisitions	367,158,257	113,001,732	(342,524)	(171,684)	479,645,781

* The Group has agreed to pay contingent consideration of US\$ 23,338,976 and deferred consideration of US\$ 40,945,290. Contingent consideration is for (i) an additional consideration of US\$ 20,919,900 against Orange Group acquisition towards upside tariff revision in one of the project, future receivables to the extent of GBI in Andhra Pradesh wind power projects, realizations from sale of Voluntary Emission Reductions (VER) and other claims and (ii) an additional consideration of US\$8,861,212 against Skeiron Group acquisition towards future receivables to the extent of GBI in Andhra Pradesh wind power projects and other claims. Management based on an assessment of the facts existing on the acquisition date, made a fair value estimate of the additional consideration to the extent probable on the acquisition date. Accordingly, the Group has recognised contingent consideration of US\$23,338,976 representing the present value of Group's probability weighted estimate of cash outflow at the acquisition date.

Deferred consideration is towards trade receivables and certain other receivables outstanding on the date of acquisition. As per the terms of the share purchase agreements, consideration against these receivables are payable upon realization / settlement of receivables from these parties and recorded at fair value.

The amounts of revenue and loss related to entities acquired above since the acquisition date included in the consolidated statement of profit or loss for the year ended 31 March 2019 was US\$59,928,206 and US\$34,590,394, respectively.

14. 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 2019:

	Level 1	Level 2	Level 3	Total
Financial assets				
Other investments	3,249,051	-	-	3,249,051
Derivative financial assets	-	255,807,058	-	255,807,058
Financial liabilities				
Contingent consideration payable	-	-	23,485,667	23,485,667

Greenko Energy Holdings*(All amounts in US Dollars unless otherwise stated)***Notes to the condensed consolidated interim financial statements****14. Fair value measurement of financial instruments (continued)****31 March 2019:**

	Level 1	Level 2	Level 3	Total
Financial assets				
Other investments	3,214,442	-	-	3,214,442
Derivative financial assets	-	253,164,484	-	253,164,484
Financial liabilities				
Contingent consideration payable	-	-	23,338,976	23,338,976

Measurement of fair value of financial instruments**Derivative financial assets**

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

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

Other investments

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

Contingent consideration payable

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

- 15.** During the period, 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 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. Further, in respect of 3 entities where rate reduction to Rs. 3 per kwh was proposed by APDISCOM prior to 12 July 2019 notices, APTEL has issued favourable order on 11 November 2019 directing the utilities to pay the entities as per the agreed PPA rates.

In view of the relief from AP HC, the recent APTEL order in favour of Group and based on the various support regulations issued by the Central Government of India, the Group continues to recognize the revenue at the original agreed PPA tariff and has determined that the receivables are currently fully recoverable.

Greenko Energy Holdings

(All amounts in US Dollars unless otherwise stated)

Notes to the condensed consolidated interim financial statements

16. On 20 September 2019, the Government of India promulgated the Taxation Law (Amendment) Ordinance, 2019 (“Ordinance”), announcing key changes to corporate tax rates in the Income-tax Act, 1961 and enacted through the Taxation Laws (Amendment) Bill, 2019 (“Amendment Bill”). The key changes include, reduction of Minimum alternate tax (“MAT”) rate from 18.50% to 15% (excluding surcharge and cess) and an option to pay regular income tax at 22% subject to certain conditions. The Group is in the process of evaluating the options available in the Amendment Bill. Pending evaluation, the Group has not given any effect of the Amendment Bill in the financial results.

17. Subsequent events

During May 2019, the Company had entered into an Incentive Deed with GVL Management Services Limited, wherein the Company has issued 21,132,000 Class B2 performance shares which are subsequently convertible into Class A shares, pursuant to and in accordance with the terms of the agreement. The agreement has not been given effect to and rescinded by the Board subsequent to 30 September 2019.

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 2019, our portfolio of assets consists of (i) 111 operational projects with a combined installed capacity of 4,124.05 MW, comprising 22 operational hydropower projects with a total installed capacity of 389.4 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) twelve projects under construction with a total licensed capacity of 474.5 MW, comprising one wind project with a licensed capacity of 60.0 MW, five hydropower projects with a total licensed capacity of 234.5 MW and six solar energy projects with a total licensed capacity of 180.0 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 IRESs 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. Our rapid growth makes it difficult to compare our consolidated results from period to period.

The following table sets forth the capacity of our operational projects as of 30 September 2019 and 30 September, 2018:

	As of 30 September, 2019	As of 30 September, 2018
	Capacity (MW)	Capacity (MW)
Operational projects	4,124.1	2,584.0

During six months ended September 2019 and September 2018, we generated 6,527.1 GWh and 4,144.1 GWh of power, respectively. Six months ended September 2019 includes the results of operations of the assets acquired in the Orange Renewables Acquisition and the Skeiron Acquisition.

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. GBI benefits are available for a minimum period of four years and a maximum period of 10 years.

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 calculated 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.....	5-25 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.

Loan Restructuring Costs

Loan restructuring costs represents the cost of prepayment and unamortized transaction costs on existing rupee and US dollar loans of certain of our subsidiaries.

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

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

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, 2019 compared to six months ended 30 September, 2018

On May 29, 2018, we entered into a share purchase agreement (as amended) through our wholly-owned subsidiary, Greenko Power Projects (Mauritius) Limited, to acquire 100.0% of the issued share capital of Orange Renewable Holding Pte. Ltd. from AT Holdings Pte. Ltd. (the “Orange Renewable Acquisition”), which was completed on October 1, 2018. Through the Orange Renewable Acquisition, we acquired entities holding (i) 11 operational wind energy projects with a total installed capacity of 567.2 MW and one wind energy project under construction with a total licensed capacity of 200.0 MW and (ii) two solar energy projects with a total installed capacity of 140.0 MW. The results of the entities we acquired through the Orange Renewable Acquisition (the “Acquired Orange Renewable Entities”) have been included in our results since October 2018.

On October 16, 2018 and October 17, 2018, we entered into share purchase agreements through our wholly-owned subsidiaries, Greenko Energies Private Limited and Wind Power Projects (Mauritius) Limited, to acquire Skeiron Green Power Private Limited and its subsidiaries from Tanti Holdings Private Limited, Golden Slam India Investments Private Limited and AEP II Holdings Pte Ltd (the “Skeiron Acquisition”), which was completed on October 31, 2018. Through the Skeiron Acquisition, we acquired entities holding five operational wind energy projects with a total installed capacity of 384.3 MW. The results of the entities we acquired interests in through the Skeiron Acquisition (the “Acquired Skeiron Entities”) have been included in our results since November 2018.

Through our subsidiaries, we had acquired 49.0% shareholding in certain solar entities which had been acquired as part of the SunEdison Acquisition or from the Karvy Group, namely SEI Green Flash Private Limited, SEI Arushi Private Limited, Zuka Power Private Limited, Rain Coke Limited, Suvarchas Solar Power Private Limited, Vishvarupa Solar Power Private Limited, Achintya Solar Power Private Limited and Grinibhrit Solar Power Private Limited, in prior years. These entities hold operational solar energy projects with a total capacity of 180.0 MW. In November 2018 and March 2019, we acquired the remaining 51.0% shareholding of the SunEdison solar entities. Following the satisfaction of conditions in March 2019, we obtained the control over the board of the Karvy Group solar entities including the power to direct the relevant activities of the investee unilaterally.

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.

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 increased by US\$140.1 million, or 50.8%, to US\$415.7 million in six months ended 30 September 2019 from US\$275.6 million in six months ended 30 September 2018. The tables below set forth the breakdown of our revenue for the indicated periods by type and asset class.

	Six Months ended 30 September 2019	Six Months ended 30 September 2018
	(US\$ in millions)	(US\$ in millions)
Revenue	415.7	275.6
Installed capacity at beginning of period (MW)	3,969.5	2,543.5
Installed capacity at end of period (MW)	4,124.1	2,584.0
Generation (GWh)	6,527.1	4,144.1

	Six Months ended 30 September 2019 (US\$ in millions)	Six Months ended 30 September 2018 (US\$ in millions)
Revenues from wind energy projects	263.0	149.5
Revenues from hydropower projects	46.2	48.5
Revenues from solar projects	104.9	76.4
Revenues from thermal projects	1.6	1.2
Total	415.7	275.6

Revenue for the wind power projects in the six months ended 30 September 2019 was increased by 50.8% to US\$415.7 million compared to US\$275.6 million in the six months ended 30 September 2018. Revenue for the wind projects increased by 76.0% to US\$263.0 million from US\$149.5 million in the previous year of the same period. Revenue for the hydro power projects decreased by 4.8% to US\$46.2 million from US\$48.5 million compared in the previous year of the same period. Revenue for the solar projects increased by 37.3% to US\$104.9 million from US\$76.4 million compared in the previous year of the same period. Revenue for the thermal power projects in the six months ended 30 September 2019 was increased by 33.3% to US\$1.6 million compared to US\$1.2 million in the previous year of the same period. Generation was increased by 57.5% to 6,527.1GWh in the six Months ended 30 September 2019 from 4,144.1 GWh in the six Months ended 30 September, 2018. The increase was primarily due to increased operating capacity.

Our wind power projects delivered an average PLF of 39.2% in the six months ended 30 September, 2019, 40.9% in the six Months ended 30 September, 2018. The decrease in PLF is mainly on account of lower wind availability in 2019 compared to wind availability in 2018.

Our hydropower projects delivered an average PLF of 67.0% in the six months ended 30 September, 2019, 65.0% in the six months ended 30 September, 2018.

Our solar projects delivered an average PLF of 23.8% in the six months ended 30 September, 2019, 23.1% in the six months ended 30 September, 2018.

Generation has been increased by 57.5% in the six months ended 30 September, 2019 against six months ended 30 September, 2018 and an increase of revenue by 54.0%, in the six months ended 30 September, 2019 against six months ended 30 September, 2018 in terms of Indian Rupees. However, in terms of US dollar, the revenue has been increased only by 50.8% in the six months ended 30 September, 2019 compared to six months ended 30 September, 2018. Depreciation of Indian rupee against US dollar by 2.1% during the six months ended 30 September, 2019 compared to six months ended 30 September, 2018.

Other operating income

Other operating income was US\$0.9 million in the six months ended 30 September, 2019 and US\$0.9 million in the six months ended 30 September 2018.

Cost of material and power generation expenses

Cost of material and power generation expenses was US\$27.1 million during six months ended 30 September, 2019, US\$17.4 million in the six months ended 30 September, 2018. Cost of material and power generation expenses was 6.5% of revenue in six months ended 30 September, 2019, 6.3% of revenue in the six Months ended 30 September, 2018. For the period ended 30 September, 2019 increase in power generation expenses was primarily due to increase in operating capacity.

Employee benefits expense

Employee benefits expense was US\$9.1 million during six months ended 30 September, 2019 compared to US\$6.1 million during the six months ended 30, September 2018. 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\$12.1 million during the six months ended 30 September, 2019 compared to US\$8.8 million during the six months ended 30 September, 2018. 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\$8.3 million during the six months ended 30 September, 2019 compared to US\$3.6 million during the six months ended 30 September 2018.

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\$98.4 million during the six months ended 30 September, 2019, US\$61.4 million during the six months ended 30 September, 2018, primarily due to an increase in plant, property and equipment as a result of our on-going construction activity and acquisition of projects.

Finance income

Finance income was US\$38.4 million during the six months ended 30 September, 2019 compared to US\$54.5 million during six months ended 30 September, 2018, which was primarily attributable to the fair value gain on derivative contracts.

Finance cost

Finance costs were US\$197.3 million during the six months ended 30 September, 2019 compared to US\$114.2 million during the six months ended 30 September, 2018, which was primarily attributable to interest on our borrowings which increased to US\$4,374.9 million as of 30 September, 2019 compared to US\$2,705.3 million as of 30 September, 2018.

Loan restructuring costs

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\$92.5 million during the six months ended 30 September, 2019 compared to profit of US\$119.2 million during the six Months ended 30 September, 2018.

Taxation

Taxation was US\$34.1 million during the six months ended 30 September, 2019, US\$32.0 million during the six months ended 30 September, 2018.

Profit for the year

As a result of the foregoing, we earned profit of US\$58.4 million during the six months ended 30 September, 2019 compared to profit of US\$87.2 million during the six months ended 30 September, 2018.

Liquidity and Capital Resources

Overview

As of 30 September, 2019, our consolidated bank deposits were US\$171.5 million and our cash and cash equivalents were US\$133.5 million. Bank deposits aggregating US\$88.6 million were restricted as of 30 September, 2019.

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, 2020 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, 2019	Six months ended 30 September, 2018
	(US\$ in millions)	
Consolidated Cash Flow Statement		
Net cash from operating activities	123.4	87.6
Net cash used in investing activities	(179.4)	(114.7)
Net cash from/(used in) financing activities	(17.4)	356.5
Cash and cash equivalents at the beginning of the period	214.4	94.7
Cash and cash equivalents at the end of the period	133.5	422.5

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\$197.3 million, loan restructuring costs of US\$21.1 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.

During the six months ended 30 September, 2018 net cash from operating activities of US\$87.6 million was primarily attributable to (i) profit before tax of US\$119.2 million, (ii) US\$154.6 million increase in trade and other receivables, (iii) US\$4.2 million increase in trade and other payables and (iv) US\$54.5 million for finance income, offset in part by adjustment of US\$61.4 million for depreciation and amortization, US\$114.2 million for finance costs.

Net cash used in investing activities

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.

During the six months ended 30 September, 2018, our net cash used in investing activities of US\$114.7 million primarily consist of (i) US\$48.5 million in purchase of property, plant and equipment and capital expenditure primarily relating to our projects under construction or development, (ii) US\$70.6 million investment in bank deposits, and (iii) US\$4.4 million in relation to the advance for purchase of equity offset in part by (i) US\$4.7 million advances refunded by equity-accounted investees and (ii) interest received of US\$7.1 million.

Net cash from/ (used in) financing activities

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.

During the six months ended 30 September, 2018, our net cash used in financing activities of US\$356.5 million was primarily attributable to US\$ 448.1 million of proceeds from issue of shares, US\$200.5 million of proceeds from borrowings, offset in part by US\$158.7 million in repayment of borrowings and US\$133.5 million for interest paid.

Results of Operations — Greenko Solar (Mauritius) Limited Condensed Combined Financial Statements

Six months ended 30 September, 2019 compared to Six months ended 30 September, 2018

As of 30 September 2019, the Restricted Group III accounted for 26.6% of the total installed capacity of our operational projects, consisting of 8 operational solar energy projects with a total installed capacity of 283.0 MW (20.8% of the total installed capacity of our operational hydro power projects) and 14 operational wind energy projects with a total installed capacity of 812.1 MW (35.3% of the total installed capacity of our operational wind energy projects).

Revenue

Revenue for the Restricted Group III increased by 187.3% to US\$109.5 million in the six months ended 30 September, 2019 from US\$38.1 million in the six months ended 30 September, 2018. The increase was primarily due to increase in the capacity of the Restricted Group III.

	Six months ended 30 September, 2019	Six months ended 30 September, 2018
	(US\$ in Millions)	
Revenue	109.5	38.1
Installed capacity at beginning of year (MW)	910.1	293.0
Installed capacity at end of period (MW)	1,095.1	293.0
Generation in (Gwh)	1,551.4	505.9
	Six months ended 30 September, 2019	Six months ended 30 September, 2018
	(US\$ in Millions)	
Revenues from wind energy projects	96.1	38.1
Revenues from solar power projects	13.4	-

Revenue for the wind power projects of Restricted Group III in the six months ended 30 September, 2019 was increased by 152.2% to US\$96.1 million compared to US\$38.1 million in the six months ended 30 September, 2018. Revenue for the Solar energy projects of Restricted Group III increased to US\$13.4 million compared to Nil in the previous year of the same period. Generation in the Restricted Group III increased to 1,551.4 GWh in the six months ended 30 September, 2019 compared to 505.9 GWh in the six months ended 30 September, 2018.

Power generation expenses

Power generation expenses for the Restricted Group III in the six months ended 30 September, 2019 was US\$6.9 million compared to US\$0.9 million in the six months ended 30 September, 2018. Power generation expenses in the six months ended 30 September, 2019 was 6.3% of revenue compared to 2.3% of revenue in the six months ended 30 September, 2018.

Employee benefits expense

Employee benefits expense for the Restricted Group III in the six months ended 30 September, 2019 was US\$0.4 million compared to Nil in the six months ended 30 September, 2018. The largest component of employee benefits expense was salaries and wages.

Other operating expense

Other operating expenses for the Restricted Group III in the six months ended 30 September, 2019 was US\$2.3 million compared to US\$0.3 million in the six months ended 30 September, 2018. 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 for the Restricted Group III was US\$1.5 million during the six months ended 30 September, 2019.

Depreciation and amortization

Depreciation and amortization for the Restricted Group III in the six months ended 30 September, 2019 was US\$25.8 million compared to US\$8.8 million in the six months ended 30 September, 2018.

Finance income

Finance income for the Restricted Group III in the six months ended 30 September, 2019 was US\$1.8 million compared to US\$0.4 million in the six months ended 30 September, 2018, primarily due to interest earned on bank deposits.

Finance costs

Finance costs for the Restricted Group III in the six months ended 30 September, 2019 was US\$39.3 million compared to US\$13.2 million in the six months ended 30 September, 2018, which was primarily attributable to interest on borrowings which increased to US\$1,110.0 million as of 30 September, 2019 compared to US\$213.9 million as of 30 September, 2018.

Loan restructuring costs

We recognized loan restructuring costs of US\$13.3 million during six months ended 30 September, 2019 representing the cost of prepayment and unamortized transaction costs attributable to the refinancing rupee loans of Restricted Group III entities.

Profit before income tax

Profit before income tax for the Restricted Group III for the six months ended 30 September, 2019 was US\$21.9 million compared to profit of US\$15.3 million for the six months ended 30 September, 2018.

Income tax expense

Income tax expense for the Restricted Group III in the six months ended 30 September, 2019 was US\$4.5 million compared to US\$4.6 million in the six months ended 30 September, 2018.

Profit for the period

As a result of the foregoing, the Restricted Group III's profit for the six months ended 30 September, 2019 was US\$17.4 million compared to profit of US\$10.7 million for the six months ended 30 September, 2018.

Liquidity and Capital Resources

Overview

As of 30 September, 2019, the Restricted Group III's bank deposits were US\$34.4 million and our cash and cash equivalents were US\$51.0 million. The Restricted Group III's principal financing requirements are primarily for:

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

We fund the Restricted Group III's operations and capital requirements primarily through cash flows from operations. We believe that the cash generated from the Restricted Group III's operations will be sufficient to finance its working capital needs for the next 12 months. We expect that these sources will continue to be the Restricted Group III's 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 the Restricted Group III.

Cash Flows

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

	Six months ended 30 September, 2019	Six months ended 30 September, 2018
	(US\$ in Million)	
Net cash generated from operating activities	34.8	12.0
Net cash from/(used in) investing activities	5.2	(8.7)
Net cash used in financing activities	(0.5)	(9.5)
Cash and cash equivalents at the beginning of the period	16.6	10.5
Cash and cash equivalents at the end of the period	51.0	3.7

Net cash generated from operating activities

In the six months ended 30 September, 2019, the Restricted Group III's net cash from operating activities was US\$34.8 million. This net cash inflow was primarily attributable to (i) profit before tax of US\$21.9 million and positive non-cash adjustment for finance cost of US\$39.3 million, loan restructuring costs of US\$13.3 million and depreciation and amortization of US\$25.8 million, (ii) changes in working capital of US\$63.2 million and (iii) a decrease in taxes paid of US\$2.0 million. Changes in working capital primarily comprised an increase in trade and other receivables of US\$64.3 million and an increase in trade and other payables of US\$1.3 million.

In the six months ended 30 September, 2018, the Restricted Group III's net cash from operating activities was US\$12.0 million. This net cash inflow was primarily attributable to (i) profit before tax of US\$15.3 million and positive non-cash adjustment for finance cost of US\$13.2 million and depreciation and amortization of US\$8.8 million, (ii) changes in working capital of US\$23.8 million and (iii) a decrease in taxes paid of US\$1.1 million. Changes in working capital primarily comprised an increase in trade and other receivables of US\$24.3 million and an increase in trade and other payables of US\$0.4 million.

Net cash from/(used in) investing activities

In the six months ended 30 September, 2019, the Restricted Group III's net cash from investing activities of US\$5.2 million primarily US\$6.9 million from maturity of bank deposits and US\$1.8 million of interest received. The same is partially offset by US\$3.6 million in purchase of property, plant and equipment and capital expenditure.

In the six months ended 30 September, 2018, the Restricted Group III's net cash used in investing activities of US\$8.7 million primarily US\$9.7 million in purchase of property, plant and equipment and capital expenditure. The same is partially offset by US\$0.7 million from maturity of bank deposits and US\$0.4 million of interest received.

Net cash used in financing activities

In the six months ended 30 September, 2019, the Restricted Group III's net cash used in financing activities of US\$0.5 million was primarily attributable to (i) US\$681.4 million in repayment of borrowings (ii) repayment of borrowings to unrestricted subsidiaries of US\$222.9 million and (iii) US\$37.2 million in interest payment. The same is partially offset by proceeds from borrowings of US\$941.1 million

In the six months ended 30 September, 2018, the Restricted Group III's net cash used in financing activities of US\$9.5 million was primarily attributable to (i) US\$13.0 million in interest payment and (ii) US\$5.3 million in repayment of borrowings. The same is partially offset by proceeds of borrowings from unrestricted subsidiaries of US\$8.8 million.