

Result of Operations – RG: Rezues

Financials for the half year ended September 30, 2021

The financials of the seven SPV's forming the Restricted Group have been combined for the purpose of reporting for the half year ended September 30, 2021. The financials have been compared with the corresponding half year ended September 30, 2020.

I. Earnings Statement

The earnings statement for the half year ended September 30, 2021 is as under:

Particulars	USD Million		
	Half year ended		
	Sep 30, 2020	Sep 30, 2021	% Growth
Operating Revenue	43.4	46.9	8%
Other Income	6.5	9.7	50%
Total Income	49.9	56.6	13%
Expenses	5.0	6.7	34%
EBITDA	44.9	49.9	11%
%	90.0%	88.2%	
Depreciation and amortisation expense	10.3	6.6	-35%
Finance cost	29.4	21.4	-27%
PBT	5.2	21.9	324%
Current tax	0.7	2.5	
Deferred tax	0.5	2.9	
PAT	4.0	16.5	311%

Total Income

Higher operating revenue during the half year ended September 30, 2021 was primarily due higher PLF in Wind business.

Snapshot of installed capacity and revenue by business is as under:

Particulars	USD Million		
	Half year ended		
	Sep 30, 2020	Sep 30, 2021	% Growth
Sale of Power	41.4	44.4	7%
Generation Based Incentive	2.0	2.5	25%
Total Operating Revenue	43.4	46.9	8%
Installed Capacity at beginning of period (MW)	511	511	0%
Installed Capacity at end of period (MW)	511	511	0%
Generation in (Gwh)	558	614	10%
Revenue from Wind Projects	34.3	38.5	12%
Revenue from Solar Projects	9.1	8.4	-8%

Expenses

Higher expense of USD 1.7 Mn mainly on account of Expected Credit Loss provision as per accounting requirement of USD 1.0 Mn.; Higher Insurance cost due to increase in premium impacting USD 0.2 Mn & increase in O&M Cost (escalation) by USD 0.25 Mn

Other Income

Higher other income mainly on account of sale of Carbon credit.

Depreciation

Lower depreciation mainly due to change in useful life of assets to align with IFRS

Interest

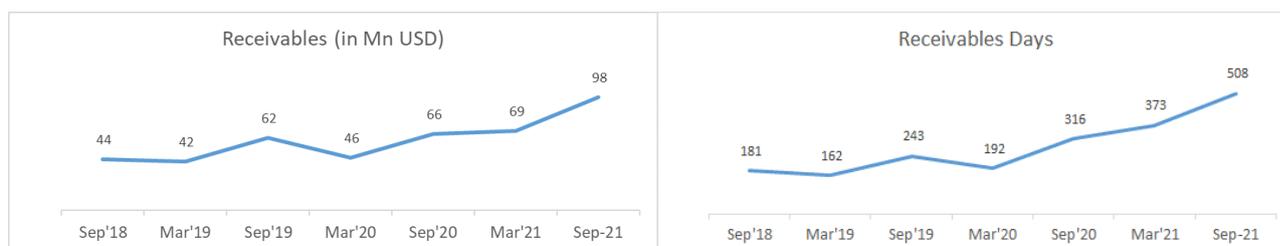
Lower Interest Cost by USD 8 Mn on account of refinancing at lower rate

Profit Before Tax (PBT)

PBT for the half year ending September 30, 2021 was higher by USD 16.7 Mn.

II. Receivables

Receivables have increased from USD 66 Mn in September 30, 2020 to 98 Mn in September 30, 2021 due to slow recovery of receivables primarily from AP and Maharashtra Discoms resulting in increase of days sales outstanding from 316 as at September 2020 to 508 as at end of September 2021.



III. Statement of Assets & Liabilities

USD Million

Particulars	As at	
	March 31, 2021	Sep 30, 2021
Net Worth	114.4	131.0
Borrowings*	463.1	475.5
Other Liabilities	71.7	77.8
	649.2	684.3
Fixed Assets	358.7	352.1
Cash, Bank & Investments**	7.3	3.0
Other Assets	283.2	329.3
	649.2	684.3

*Includes long term (including current maturities) & short term borrowings.

** Includes balances in current accounts, fixed deposits & Investments

Networth:

Increase in Net worth on account of Profit flowthrough

Borrowings:

Increase in Borrowings by USD 12 Mn on account of Tops up of Non Convertible Debentures (secured) USD 6 Mn and short term loan taken from related parties USD 6 Mn

Other Liabilities

Increase in Other Liabilities USD 6.4 Mn on account of creation of Deferred Tax liability USD 3 Mn and Interest accrued but not due on debentures USD 3 Mn

Other Assets

Increase of USD 46 Mn on account of Loan given to Related Party USD 7 Mn, increase in trade receivables USD 32 Mn, Accrued Interest on Loan given to related parties USD 3 Mn and Generation based incentive receivable USD 2 Mn

IV. Cash Flows

The cash flows for the half year ended September 30, 2021 are:

USD Million

Particulars	Particulars		
	30th Sep '20	30th Sep'21	Variance
Net cash generated from / (used in) operating activities	12.8	5.3	(7.5)
Net cash generated from / (used in) investing activities	3.5	(3.9)	(7.4)
Net cash generated from / (used in) financing activities	(24.0)	(5.5)	18.6
Cash and cash equivalents at the beginning of the period	9.3	6.1	(3.2)
Cash and cash equivalents at the end of the period	1.6	2.0	0.4

The net cash outflow of USD (4.1) Mn. for the half year ended September 30, 2021 was mainly attributable to the following:

- *Net cash generated from operating activities –USD 5.3 Mn.* – Cash inflow from operating profit (net of taxes) of USD 40.5 Mn. offset by increase in working capital by USD (32.2) Mn & increase in Direct taxes by USD (3.0) Mn.
- *Net cash used in investing activities- USD (3.9) Mn.* – Cash outflow was mainly on account loan given to related party USD (7.4) Mn. which is offset by Interest received of USD 3.1 Mn.
- *Net cash used from financing activities- USD (5.5) Mn.* – Cash outflow was mainly on account of interest payment on borrowings USD (12.3) Mn. Partially offset proceeds of Short term borrowings USD 6.8 Mn.
- Total Cash as on September 30,2021 inclusive of current accounts, fixed deposits & Investments was USD 3 Mn.