

Result of Operations- Restricted Group

Combined Financials for the Quarter and Period ended 31st Dec 2018

The financials of the Restricted Group comprising of seven special purpose vehicles have been combined for the purpose of reporting the interim financials for the Quarter & Period ended December 2018. The financials have been compared with the corresponding periods of FY 18.

Note: Conversion rate is considered at 1 USD= 69.68 INR, which is the average RBI reference rate for the period ending 31st Dec'18. Financials of earlier period have also been restated to the same exchange rate to facilitate like to like comparison of operating performance.

I. Profit and Loss

The consolidated statement of profit and loss for the period ended 31st December'18 is as under:

Particulars	USD Million					
	Quarter ended			Period ended		
	31st Dec'17	31st Dec'18	% Growth	31st Dec'17	31st Dec'18	% Growth
Operating Revenue	13.8	14.9	8%	70.5	73.6	4%
Operating Other Income	2.7	2.8	4%	7.2	8.1	13%
Total Income	16.5	17.7	8%	77.7	81.7	5%
Other Expenses	2.1	2.4	15%	8.7	8.1	-7%
EBITDA	14.4	15.3	7%	69.0	73.6	7%
Depreciation and amortisation expense	5.5	5.5	0%	16.4	16.5	0%
Finance cost	15.8	15.4	-2%	47.0	46.7	-1%
Profit/ (Loss) before Tax (PBT)	(6.9)	(5.6)	18%	5.6	10.4	88%
Current tax	(0.0)	(0.8)		1.1	2.2	
Deferred tax	(0.8)	0.2		(3.6)	0.6	
Profit/ (Loss) after Tax (PAT)	(6.1)	(5.0)	19%	8.1	7.6	-7%

Total Income

The growth in operating revenue during the quarter ended 31st Dec'18 was primarily due to higher PLF. The PLF for the wind portfolio was higher at 13.8% as against 11.8% in the corresponding quarter last year and for Solar it was higher at 21.1% as against 20.3%. The overall PLF was higher at 15.4% as against 13.7% in the corresponding quarter last year.

The growth in operating revenue during the period ended 31st Dec'18 was primarily due to higher PLF. The PLF for wind was higher at 28.7% as against 26.4% in the corresponding period last year, resulting in a higher overall PLF at 27.0% as against 25.2% in the corresponding period last year. Solar PLF was slightly lower at 20.7% as against 21.1% in the corresponding period last year.

Operating other income was primarily on account of income from investment of surplus funds.

USD Million

Particulars	Quarter ended			Period ended		
	31st Dec'17	31st Dec'18	% Growth	31st Dec'17	31st Dec'18	% Growth
Sale of Power	12.1	14.2	18%	65.5	69.1	5%
Sale of Renewable Energy Certificates	1.2	0.2	-84%	1.4	0.7	-48%
Generation Based Incentive	0.5	0.5	4%	3.6	3.8	5%
Total Operating Revenue	13.8	14.9	8%	70.5	73.6	4%
Installed Capacity at beginning of period (MW)	504	511	1%	499	511	4%
Installed Capacity at end (MW)	511	511	0%	511	511	0%
Generation in (Mus)	154	174	13%	845	892	6%
Revenue from Wind Projects	9.3	10.1	10%	56.4	59.9	6%
Revenue from Solar Projects	4.5	4.8	7%	14.1	13.7	-3%

Other Expenses

Other expenses during the period ended Dec'18 were lower by USD 0.6 Mn. mainly on account of reduction in management shared services charge, due to a change in the proportionate share of the Restricted Group capacity at group level.

Tax

Current Tax represents Minimum Alternate Tax on profits for the period.

Deferred Tax in the current quarter and period ended Dec'18 is primarily on account of difference in depreciation between tax and financial statements. Deferred tax asset in previous periods got reversed in Mar'18 to the extent of deferred tax liability.

Profit/ (Loss) for the year

Profit after tax for the period ending Dec'18 was lower by USD 0.5 Mn. mainly due to deferred tax asset adjustment.

II. Receivables

The trade receivables and days sales outstanding have improved over the previous quarter ended Sep'18 on account of higher collections. The receivables at the period ended Dec'18 were at USD 33.3 Mn as against USD 41.7 Mn as of Sep'18. The DSO as at Dec'18 end were 146 days as against 190 days as of Sep'18.

III. Cash Flows

The cash flows for the period ended 31st Dec'18 are:

USD Million

Particulars	Period Ended		
	31st Dec '17	31st Dec '18	Variance
Net cash generated from / (used in) operating activities	58.4	45.0	(13.4)
Net cash generated from / (used in) investing activities	(123.6)	(24.2)	99.3
Net cash generated from / (used in) financing activities	(32.8)	(26.0)	6.9
Cash and cash equivalents at the beginning of the period	102.7	9.6	(93.1)
Cash and cash equivalents at the end of the period	4.7	4.4	(0.3)

The net cash outflow of USD (5.2) Mn. for the period ended 31st Dec'18 was mainly attributable to the following:

- *Net cash generated from operating activities –USD 45.0 Mn.* – Cash inflow comprised of operating profit (net of taxes) of USD 67.7 Mn. partially offset by increase in working capital USD (22.7) Mn. mainly due to increase in receivables.
- *Net cash generated from investing activities- USD (24.2) Mn.* - Cash outflow was mainly on account of Bank Deposits USD (38.7) Mn and payment of capital creditors of USD (5.5) mn., which is partially offset by redemption of mutual fund USD 19.7 Mn.
- *Net cash used in financing activities- USD (26.0) Mn.* was due to outflow on interest payment on borrowings.
- Total cash as on 31st Dec'18 inclusive of Bank Deposits of more than a year at USD 41 Mn., was USD 45.4 Mn.