

Result of Operations - Restricted Group 2 - USD 525 Mn Bond

Financials for the year ended March 31, 2020

The financials of the eight SPV's forming the Restricted Group have been combined for the purpose of reporting for the year ended March 31, 2020. The financials have been compared with the corresponding year ended March 31, 2019.

I. Earnings Statement

The earnings statement for the period ended March 31, 2020 is as under:

Particulars	USD Million		
	Year Ended		% Growth
	31st Mar '19	31st Mar'20	
Operating Revenue	87.6	93.7	7%
Other Income	7.9	22.8	188%
Total Income	95.5	116.5	22%
Expenses	19.2	24.4	27%
EBITDA	76.3	92.1	21%
%	79.9%	79.0%	
Depreciation and amortisation expense	26.0	26.5	2%
Finance cost	48.7	61.0	25%
PBT	1.6	4.6	192%
Current tax	1.7	(0.0)	
Deferred tax	1.2	2.3	
PAT	(1.3)	2.3	272%

Total Income

The growth in operating revenue during the year ended March 31, 2020 was primarily due to full year revenue in current year for new projects commissioned in phases in last year.

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

Particulars	USD Million		
	Year Ended		% Growth
	31st Mar '19	31st Mar'20	
Sale of Power	85.5	91.5	7%
Sale of Renewable Energy Certificates	0.0	0.0	0%
Generation Based Incentive	2.1	2.2	5%
Total Operating Revenue	87.6	93.7	7%
Installed Capacity at beginning of period (MW)	526	636	21%
Installed Capacity at end of period (MW)	636	636	0%
Generation in (Gwh)	1,170	1,255	7%
Revenue from Wind Projects	35.7	40.9	15%
Revenue from Solar Projects	51.9	52.8	2%

Other income increased primarily due to interest income USD 14.9 Mn. on account of additional loan given to related party.

Expenses

Other expenses are higher by USD 5.2 Mn. mainly on account of higher option premium amortization by USD 11.8 Mn

Finance Cost

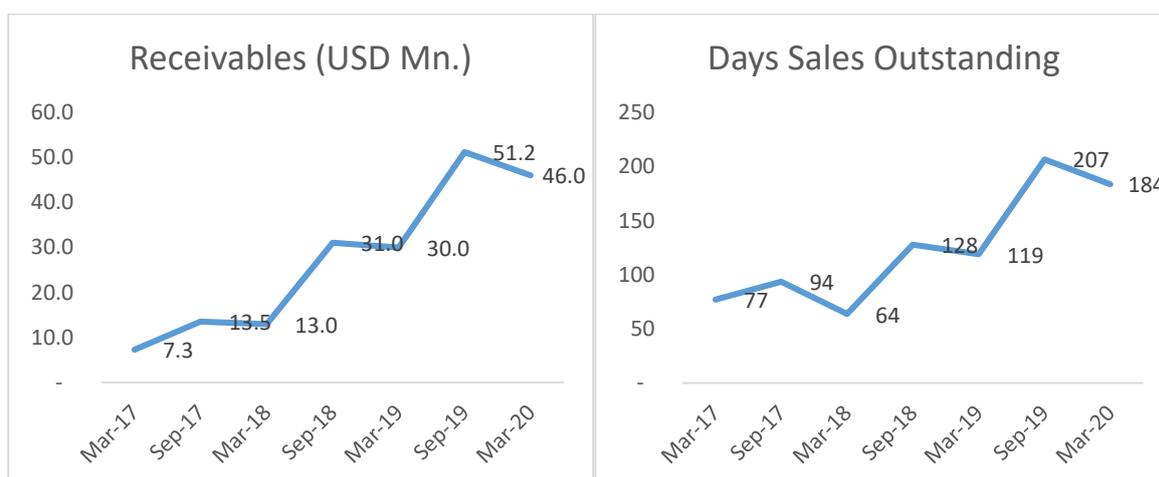
Finance Cost increase of USD 12.3 Mn. on account on incremental borrowing resulting from the RG issuance.

Profit Before Tax (PBT)

PBT for the year ending March 31, 2020 was higher by USD 2.9 Mn. Mainly due to higher EBITDA.

II. Receivables

Receivables have increased from 30.0 Mn. in March 31, 2019 to 46.0 Mn. in March 31, 2020 due to slow recovery of receivables from Discoms resulting in increase of days sales outstanding from 119 to 184 as at end of March 20.



III. Statement of Assets & Liabilities

USD Million

Particulars	As at	
	March 31, 2019	March 31, 2020
Net Worth	156.0	144.2
Borrowings*	627.4	769.1
Other Liabilities	78.6	73.3
	862.0	986.6
Fixed Assets	540.1	514.3
Cash, Bank & Investments**	66.2	32.6
Other Assets	255.7	439.7
	862.0	986.6

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

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

Net Worth

Reduction in net worth is mainly on account of loss recognized on cash flow hedge.

IV. Cash Flows

The cash flows for the period ended March 31, 2020 are:

Particulars	Year Ended		
	31st Mar '19	31st Mar'20	Variance
Net cash generated from / (used in) operating activities	38.4	52.7	14.3
Net cash generated from / (used in) investing activities	(223.2)	(145.4)	77.8
Net cash generated from / (used in) financing activities	223.4	54.1	(169.3)
Cash and cash equivalents at the beginning of the period	6.5	45.0	38.5
Cash and cash equivalents at the end of the period	45.1	6.4	(38.7)

USD Million

The net cash outflow of USD (38.6) Mn. for the period ended March 31, 2020 was mainly attributable to the following:

- *Net cash generated from operating activities –USD 52.7 Mn.* – Cash inflow from operating profit (net of taxes) of USD 69.0 Mn. partially offset by increase in working capital USD (16.3) Mn.
- *Net cash used from investing activities- USD (145.4) Mn.* – Cash outflow was mainly on account loan given to related party USD (137.1) Mn.; capital expenditure of USD (16.9) Mn; and investment of bank deposits USD (5.1) Mn. which is partially offset by and Interest received of USD 13.7 Mn. (including interest from related party USD 10.1 Mn.)
- *Net cash generated from financing activities- USD 54.1 Mn.* – Cash was mainly generated from proceeds of borrowings (net of repayments) USD 91.1 Mn. offset by interest payment on borrowings USD (37.0) Mn.
- Total Cash as on March 31,2020 inclusive of current accounts, fixed deposits & Investments was USD 32.6 Mn.

V. Ratios

	INR Cr	USD Mil
Long term Debt as per Financials	5,451	769
Less: Compulsorily convertible debentures	(41)	(6) CCDs do not constitute Indebtedness
Less: Loan from related party	(1,494)	(211) Subordinated shareholder debt do not constitute Indebtedness
Less: Liability component of preference shares	(6)	(1) Preferred stock do not constitute Indebtedness
Less: Derivative Asset	(203)	(29)
Add : Short term debt	-	-
Add : Curr maturities of LTB	-	-
Debt as per financials (post hedging)	3,707	523
Reported EBITDA	652	92
Add: Option Cost Amortised	90	13
EBITDA As per Covenant	742	105
Ratio		5.0