Greenko Dutch B.V. (Restricted Group)

Issuer of US$350 Million 4.875% Senior Notes due 2022
and US$650 Million 5.25% Senior Notes due 2024

Summary of Contents

Financial Statements for the period April 1, 2018 to September 30, 2018

B S R & Associates LLP
Chartered Accountants

Salarpuria Knowledge City
Orwell, 6th Floor, Unit-3
Sy. No. 83/1, Plot No. 2, Raidurg
Hyderabad-500081, India

Telephone : +91 40 7182 2000
Fax : +91 40 7182 2399

Independent Practitioner's Review Report
To the Board of Directors of Greenko Dutch B.V.

We have reviewed the accompanying condensed combined interim financial statements of Restricted Group which consists of the Greenko Dutch B.V. ("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") which comprise the condensed combined statement of financial position as at 30 September 2018, 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 21.

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 and have been prepared from the books and records maintained by Restricted Group 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 2018, 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 3 to the condensed combined interim financial statements, which describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's condensed combined interim financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have been achieved 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 for any future period. The condensed combined interim financial statements were prepared solely to comply with financial reporting requirements 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.

for **B S R & Associates LLP**
Chartered Accountants
Firm Registration Number: 116231W/W-100024

Sriram Mahalingam
Partner
Membership number: 049642

Place: Hyderabad
Date: 4 December 2018

Greenko Dutch B.V. (Restricted Group)
(All amounts in US Dollars unless otherwise stated)

Condensed combined statement of financial position

	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)	As at 30 September 2017 (Unaudited)
Assets			
Non-current assets			
Property, plant and equipment	1,086,092,031	1,232,747,414	1,250,021,841
Intangible assets and goodwill	181,433,382	204,093,954	204,787,965
Bank deposits	3,715,772	4,655,876	3,786,239
Derivative financial assets	162,242,375	137,284,216	101,698,547
Other receivables	2,460,960	2,750,892	2,729,890
	1,435,944,520	**1,581,532,352**	**1,563,024,482**
Current assets			
Inventories	2,040,650	2,142,856	3,102,311
Trade receivables	110,241,389	85,065,739	104,482,166
Other receivables	11,915,506	14,073,337	11,778,350
Receivables from Unrestricted group	10,829,348	11,826,988	12,181,106
Other investments	926,264	1,012,230	986,320
Bank deposits	51,251,007	21,342,590	19,723,210
Current tax assets	589,127	1,950,184	1,770,298
Cash and cash equivalents	10,316,252	32,897,520	18,642,706
	198,109,543	**170,311,444**	**172,666,467**
Total assets	**1,634,054,063**	**1,751,843,796**	**1,735,690,949**
Equity and liabilities			
Equity			
Net parent investment	413,373,976	517,763,983	526,141,600
Non-controlling interests	1,969,504	1,752,884	1,935,320
Total equity	**415,343,480**	**519,516,867**	**528,076,920**
Liabilities			
Non-current liabilities			
Retirement benefit obligations	459,153	526,157	456,955
Borrowings	989,692,861	988,953,106	987,909,044
Other financial liabilities	89,871,808	99,529,691	76,237,251
Deferred tax liabilities	76,167,880	80,439,286	81,742,438
	1,156,191,702	**1,169,448,240**	**1,146,345,688**
Current liabilities			
Trade and other payables	31,045,465	34,391,124	36,191,502
Other financial liabilities	25,219,373	27,170,033	24,096,667
Current tax liabilities	6,254,043	1,317,532	980,172
	62,518,881	**62,878,689**	**61,268,341**
Total liabilities	**1,218,710,583**	**1,232,326,929**	**1,207,614,029**
Total equity and liabilities	**1,634,054,063**	**1,751,843,796**	**1,735,690,949**

Greenko Dutch B.V. (Restricted Group)
(All amounts in US Dollars unless otherwise stated)

Condensed combined statement of profit or loss and other comprehensive income

	Six months ended 30 September 2018 (Unaudited)	Six months ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
Revenue	109,737,751	114,103,169	176,990,218
Other operating income	444,939	113,705	174,607
Power generation expenses	(8,192,375)	(7,818,861)	(18,704,528)
Employee benefits expense	(2,316,917)	(2,703,955)	(5,232,126)
Other operating expenses	(6,353,843)	(3,774,576)	(7,100,179)
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	**93,319,555**	**99,919,482**	**146,127,992**
Depreciation and amortization	(23,739,211)	(25,113,226)	(50,108,364)
Operating profit	**69,580,344**	**74,806,256**	**96,019,628**
Finance income	23,621,994	478,309	1,621,623
Finance costs	(28,825,166)	(36,589,191)	(71,463,556)
Loan restructuring costs	-	(17,676,528)	(17,676,528)
Profit before tax	**64,377,172**	**21,018,846**	**8,501,167**
Income tax expense	(12,606,336)	(6,574,524)	(7,899,198)
Profit for the period/year	**51,770,836**	**14,444,322**	**601,969**
Attributable to:			
Equity holders of the Restricted Group	51,554,216	14,097,222	437,305
Non-controlling interests	216,620	347,100	164,664
	51,770,836	**14,444,322**	**601,969**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Unrealised loss on available-for-sale financial assets	-	(3,401)	(46,073)
Exchange differences on translating foreign operations	(155,944,223)	(14,839,006)	(9,514,035)
Total other comprehensive income	**(155,944,223)**	**(14,842,407)**	**(9,560,108)**
Total comprehensive income	**(104,173,387)**	**(398,085)**	**(8,958,139)**
Total comprehensive income attributable to:			
Equity holders of the Restricted Group	(104,390,007)	(745,185)	(9,122,803)
Non-controlling interests	216,620	347,100	164,664
	(104,173,387)	**(398,085)**	**(8,958,139)**

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

(All amounts in US Dollars unless otherwise stated)

Condensed combined statement of changes in net parent investment

	As at 30 September 2018 (Unaudited)	As at 31 March 2018 (Audited)	As at 30 September 2017 (Unaudited)
Opening	517,763,983	545,511,249	545,511,249
Profit for the period/year	51,554,216	437,305	14,097,222
Exchange differences on translating foreign operations	(155,944,223)	(9,514,035)	(14,839,006)
Unrealised loss on available-for-sale financial assets	-	(46,073)	(3,401)
Transactions with unrestricted entities (Refer Note 10)	-	(18,624,463)	(18,624,464)
Closing	**413,373,976**	**517,763,983**	**526,141,600**

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

(All amounts in US Dollars unless otherwise stated)

Condensed combined statement of cash flow

		Six months ended 30 September 2018 (Unaudited)	Six months ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
A.	**Cash flows from operating activities**			
	Profit before tax	64,377,172	21,018,846	8,501,167
	Adjustments for			
	Depreciation and amortization	23,739,211	25,113,226	50,108,364
	Finance income	(23,621,994)	(478,309)	(1,621,623)
	Finance costs	28,825,166	36,589,191	71,463,556
	Loan restructuring costs	-	17,676,528	17,676,528
	Changes in working capital			
	Inventories	(126,665)	(183,468)	800,400
	Trade and other receivables	(35,252,810)	(44,089,107)	(26,181,961)
	Trade and other payables	338,665	(1,745,914)	90,276
	Cash generated from operations	**58,278,745**	**53,900,993**	**120,836,707**
	Taxes paid, net	(1,300,340)	(894,219)	(3,794,601)
	Net cash from operating activities	**56,978,405**	**53,006,774**	**117,042,106**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment and capital expenditure, net	(2,957,714)	(3,319,886)	(5,690,807)
	Bank deposits	(33,527,946)	55,372,280	52,918,990
	Interest received	1,596,994	787,953	1,879,497
	Net cash from/ (used in) investing activities	**(34,888,666)**	**52,840,347**	**49,107,680**
C.	**Cash flows from financing activities**			
	Proceeds/(Repayment) of borrowings from Unrestricted group, net	(239,992)	(134,437,095)	(133,853,188)
	Payment to Unrestricted Entities (Refer Note 10)	-	(18,624,464)	(18,601,324)
	Proceeds from borrowings	-	987,115,076	987,304,513
	Repayment of borrowings	-	(897,597,065)	(897,260,126)
	Interest paid	(42,620,639)	(44,850,307)	(91,299,087)
	Net cash used in financing activities	**(42,860,631)**	**(108,393,855)**	**(153,709,212)**
	Net increase/(decrease) in cash and cash equivalents	**(20,770,892)**	**(2,546,734)**	**12,440,574**
	Cash and cash equivalents at the beginning of the period/year	32,897,520	21,990,641	21,990,641
	Exchange gain/(loss) on cash and cash equivalents	(1,810,376)	(801,201)	(1,533,695)
	Cash and cash equivalents at the end of the period/year	**10,316,252**	**18,642,706**	**32,897,520**

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

Notes to the condensed combined interim financial statements

1. General information

Greenko Dutch B.V. ("Greenko Dutch" or "the Company") was incorporated on 19 June 2014 as a private company with limited liability and has its registered office at Hoofdweg, 52A, 3067GH, Rotterdam, Netherlands. Greenko Dutch is a wholly owned subsidiary of Greenko Mauritius. Greenko Dutch is duly registered as Foreign Portfolio Investor Entity with the Securities Exchange Board of India for investing in debt instruments in India.

Greenko Dutch is a wholly owned subsidiary of Greenko Energy Holdings ("Greenko" or "the Parent"). 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"). Greenko Group is also a part of the Clean Development Mechanism process and Renewable Energy Certificates ("REC").

2. Purpose of the condensed combined interim Financial Statements

The Company has issued Senior Notes to institutional investors in July 2017 and is listed on Singapore Exchange Securities Trading Limited (SGX-ST). Greenko Dutch B.V. 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 Dutch 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 comprise the hydro, wind and solar portfolio. Further, Non-convertible debentures issued to Greenko Dutch by Indian subsidiaries are secured by pledge of assets of those subsidiaries through an Indian trustee. Greenko Dutch 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 Dutch B.V." or "the Restricted Group".

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's results of operations, assets and liabilities and cash flows for the periods presented.

The financial information for the period from 1 April 2018 to 30 September 2018 and 1 April 2017 to 30 September 2017 are unaudited and have been reviewed. The comparatives for the year ended and as at 31 March 2018 are audited and have been extracted from the audited combined financial statements for the year ended 31 March 2018.

The condensed combined interim financial statements are for the six months ended 30 September 2018 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. The basis of preparation and carve-out principles used in preparation of these combined financial statements are set out in Note 3 below. Additional financial information pertaining to financial position as at 30 September 2017 and profit or loss and other comprehensive income and cash flows for the year ended 31 March 2018 along with the explanatory notes for the respective periods have been provided in these financial statements pursuant to the requirements contemplated in the indenture.

(All amounts in US Dollars unless otherwise stated)

3. Basis of preparation of the condensed combined interim financial statements

The indenture governing the Senior Notes requires Greenko Dutch to prepare condensed combined interim financial statements of the Restricted Group for the purpose of submission to the bond holders. These condensed combined interim financial statements as at and for the period ended 30 September 2018, 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 the Restricted Group entities and Greenko Dutch.

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

	30 September 2018	31 March 2018	30 September 2017
AMR Power Private Limited	100%	100%	100%
Greenko Anubhav Hydel Power Private Limited	100%	100%	100%
Greenko Astha Projects (India) Private Limited	100%	100%	100%
Greenko AT Hydro Power Private Limited	100%	100%	100%
Greenko Cimaron Constructions Private Limited	100%	100%	100%
Fortune Five Hydel Projects Private Limited	100%	100%	100%
Hemavathy Power & Light Private Limited	100%	100%	100%
Greenko Him Kailash Hydro Power Private Limited	100%	100%	100%
Jasper Energy Private Limited	100%	100%	100%
Greenko Budhil Hydro Power Private Limited	100%	100%	100%
Mangalore Energies Private Limited	99.13%	99.13%	99.13%
Matrix Power (Wind) Private Limited	74%	74%	74%
Greenko Sumez Hydro Energies Private Limited	100%	100%	100%
Ratnagiri Wind Power Projects Private Limited	100%	100%	100%
Greenko Rayala Wind Power Private Limited	100%	100%	100%
Rithwik Energy Generation Private Limited	100%	100%	100%
Sai Spurthi Power Private Limited	100%	100%	100%
Greenko Sri Sai Krishna Hydro Energies Private	100%	100%	100%
Greenko Tarela Power Private Limited	100%	100%	100%
Greenko Tejassarnika Hydro Energies Private	100%	100%	100%
Jed Solar Park Private Limited	100%	100%	100%
Poly Solar Park Private Limited	100%	100%	100%
RT Renewable Energy India Private Limited	100%	100%	100%
SEI Adhavan Power Private Limited	100%	100%	100%
SEI Aditi Power Private Limited	100%	100%	100%
SEI Adityashakti Private Limited	100%	100%	100%
SEI Bheem Private Limited	100%	100%	100%
SEI Diamond Private Limited	100%	100%	100%
SEI Kathiravan Power Private Limited	100%	100%	100%
SEI Phoebus Private Limited	100%	100%	100%
SEI Sriram Power Private Limited	100%	100%	100%
SEI Suryashakti Power Private Limited	100%	100%	100%
SEI Venus Private Limited	100%	100%	100%
Sunborne Energy Andhra Private Limited	100%	100%	100%

Management has prepared these condensed combined interim financial statements to depict the historical financial information of the Restricted Group. The inclusion of entities in the Restricted Group 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 Dutch 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 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's future performance. The condensed combined interim financial statements include the operations of entities in the Restricted Group, as if they had been managed together for the period presented.

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 2018 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 ("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 have been eliminated in full. Transactions between the Restricted Group and the Unrestricted Group that are eliminated in the condensed consolidated interim financial statements of Greenko Group 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 is held by the parent. Earnings Per Share have not been presented in these combined financial statements, as Greenko Dutch did not meet the applicability criteria as specified under IAS 33 – Earnings Per Share.

4. Significant accounting policies

The condensed combined interim financial statements have been prepared in accordance with the accounting policies adopted in the Restricted Group's last audited combined financial statements for the year ended 31 March 2018 except for the changes to the accounting policies on adoption of IFRS 9, "Financial instruments", and IFRS 15, "Revenue from Contracts with Customers" 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`s combined financial statements as at and for the year ending 31 March 2019.

Classification and measurement of financial assets and financial liabilities

IFRS 9, Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, "Financial instruments". IFRS 9 significantly differs from IAS 39, "Financial Instruments: Recognition and Measurement", and includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The Restricted group applied the cumulative retrospective method upon adoption of IFRS 9 on 1 April 2018. This method requires the recognition of the cumulative effect of initially applying IFRS 9 to retained earnings and not to restate prior years.

Detailed below is the classification and measurement impact of the implementation of IFRS 9 on the Restricted Group.

Available-for-sale financial assets - Investment in mutual funds

Upon adoption of IFRS 9, relates to the treatment of the unrealised gains and losses from changes in fair value on investment in mutual funds. Investment in mutual funds, was previously classified as available-for-sale investments. The unrealised gains and losses which were previously recognized in other comprehensive income will now be recognised in the income statement. On transition to IFRS 9, there is no impact on net parent investment of the Restricted Group. Investment in mutual funds as on the balance sheet dates are classified under financial assets through profit and loss as other investments.

Impairment of financial assets – Expected credit loss

In accordance with IFRS 9, the Restricted Group has implemented the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets. Trade receivables including unbilled revenue, other receivables, security deposits, etc. are measured at amortised cost.

The Restricted Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Restricted Group to track changes in credit risk, rather it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition. For all other financial assets, the Restricted Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Restricted Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Loss allowances for financial assets measured at amortised 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 the Restricted Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Restricted Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers". This comprehensive new standard supersedes IAS 18, "Revenue", IAS 11, "Construction contracts" and related interpretations. The new standard amends revenue recognition requirements and establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

a) Sale of electricity

Revenue from the sale of electricity is recognised 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 power purchase agreement/feed-in-tariff policy/market rates as applicable less the wheeling and banking charges applicable, if any. Claims for delayed payment charges and other claims, if any, are recognised as per the terms of power purchase agreements only when there is no uncertainty associated with the collectability of the claims. There was no change in the **point** of recognition of revenue upon adoption of IFRS 15.

b) Sale of REC

Revenue from sale of RECs is recognised after registration of the project with central and state government authorities, generation of power and execution of a contract for sale through recognised energy exchanges in India. There was no change in the **point** of recognition of revenue upon adoption of IFRS 15.

c) Generation Based Incentive (GBI)
Revenue from GBI is recognised based on the number of units exported and if the eligibility criteria is met in accordance with the guidelines issued by regulatory authority for GBI Scheme. There was no change in the point of recognition of revenue upon adoption of IFRS 15.

The Restricted Group applied the modified retrospective method upon adoption of IFRS 15 on April 1, 2018. This method requires the recognition of the cumulative effect of initially applying IFRS 15 to retained earnings and not to restate prior years.

Overall, the application of this standard did not have any impact on the revenue streams from the sale of electricity, Sale of REC and Generation based incentive.

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'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, 2018 except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 9 and IFRS 15, which are disclosed in Note 4 above.

Recent accounting pronouncements

Standards issued but not yet effective and not early adopted by the Restricted Group

IFRS 16, Leases

In January 2016, the IASB issued a new standard, IFRS 16, "Leases". The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17, "Leases", and related interpretations and is effective for periods beginning on or after January 1, 2019. Earlier adoption of IFRS 16 is permitted if IFRS 15, "Revenue from Contracts with Customers", has also been applied.

Upon adoption, a portion of the annual operating lease expense, which is currently fully recognized as functional expense, will be recognized as finance expense. Further, a portion of the annual lease payments recognized in the cash flow statement as reduction of lease liability will be recognized as outflow from financing activities, which are currently fully recognized as an outflow from operating activities.

The Restricted Group has completed an initial assessment of the potential impact of IFRS 16 on the combined financial statements. There will be no material impact on adoption of IFRS 16 on its combined financial statements.

IFRIC 23, Uncertainty over Income Tax treatments

On June 7, 2017, the IFRS Interpretations Committee issued IFRIC 23, which clarifies how the recognition and measurement requirements of IAS 12 "Income taxes", are applied where there is uncertainty over income tax treatment.

IFRIC 23 explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the applicable tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if it's acceptability is uncertain under applicable tax law. The interpretation provides specific guidance in several areas where previously IAS 12 was silent. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. An entity can, on initial application, elect to apply this interpretation either:

- retrospectively applying IAS 8, if possible without the use of hindsight; or

-retrospectively, with the cumulative effect of initially applying the interpretation recognized at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

The Restricted Group is in the process of evaluating the impact of IFRIC 23 on the combined financial statements.

(All amounts in US Dollars unless otherwise stated)

6. Intangible assets

	Licenses	Electricity PPAs	Goodwill	Total
Cost				
At 1 April 2017	39,713,121	35,431,273	136,337,209	211,481,603
Exchange differences	(122,119)	(108,952)	(419,241)	(650,312)
At 31 March 2018	**39,591,002**	**35,322,321**	**135,917,968**	**210,831,291**
Exchange differences	(4,098,256)	(3,656,383)	(14,069,524)	(21,824,163)
At 30 September 2018	**35,492,746**	**31,665,938**	**121,848,444**	**189,007,128**
At 1 April 2017	39,713,121	35,431,273	136,337,209	211,481,603
Exchange differences	(315,955)	(281,889)	(1,084,690)	(1,682,534)
At 30 September 2017	**39,397,166**	**35,149,384**	**135,252,519**	**209,799,069**
Accumulated amortization				
At 1 April 2017	**1,770,831**	**1,564,254**	**-**	**3,335,085**
Charge for the year	1,365,135	2,078,895	-	3,444,030
Exchange differences	(17,940)	(23,838)	-	(41,778)
At 31 March 2018	**3,118,026**	**3,619,311**	**-**	**6,737,337**
Charge for the period	643,824	980,447	-	1,624,271
Exchange differences	(358,613)	(429,249)		(787,862)
At 30 September 2018	**3,403,237**	**4,170,509**		**7,573,746**
At 1 April 2017	1,770,831	1,564,254	-	3,335,085
Charge for the period	685,232	1,043,505	-	1,728,737
Exchange differences	(24,468)	(28,250)	-	(52,718)
At 30 September 2017	**2,431,595**	**2,579,509**	**-**	**5,011,104**
Net book value				
At 30 September 2018	**32,089,509**	**27,495,429**	**121,848,444**	**181,433,382**
At 31 March 2018	36,472,976	31,703,010	135,917,968	204,093,954
At 30 September 2017	36,965,571	32,569,875	135,252,519	204,787,965

(All amounts in US Dollars unless otherwise stated)

7. Property, plant and equipment

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
Cost							
At 1 April 2017	41,936,765	154,231,189	1,115,529,416	1,038,199	792,798	12,807,881	1,326,336,248
Additions	70,395	1,717,214	6,643,952	726,370	253,141	-	9,411,072
Disposals/Capitalisation	(27,945)	-	-	(37,911)	(7,787)	(6,322,908)	(6,396,551)
Exchange differences	(129,341)	(489,843)	(3,490,557)	(9,438)	(4,663)	17,972	(4,105,870)
At 31 March 2018	**41,849,874**	**155,458,560**	**1,118,682,811**	**1,717,220**	**1,033,489**	**6,502,945**	**1,325,244,899**
Additions	96,087	-	54,938	71,352	6,376	1,717,750	1,946,503
Disposals/Capitalisation	-	-	-	-	(9,109)		(9,109)
Exchange differences	(4,337,432)	(16,092,265)	(115,803,305)	(181,731)	(106,830)	(768,806)	(137,290,369)
At 30 September 2018	**37,608,529**	**139,366,295**	**1,002,934,444**	**1,606,841**	**923,926**	**7,451,889**	**1,189,891,924**
At 1 April 2017	41,936,765	154,231,189	1,115,529,416	1,038,199	792,798	12,807,881	1,326,336,248
Additions	20,119	150,884	2,900,224	330,872	15,762	-	3,417,861
Disposals/Capitalisation	-	-	-	-	-	(23,217)	(23,217)
Exchange differences	(333,951)	(1,229,338)	(8,919,010)	(13,271)	(6,546)	(101,548)	(10,603,664)
At 30 September 2017	**41,622,933**	**153,152,735**	**1,109,510,630**	**1,355,800**	**802,014**	**12,683,116**	**1,319,127,228**
Accumulated depreciation							
At 1 April 2017	-	5,834,497	40,090,955	330,857	188,145	-	46,444,454
Charge for the year	-	4,587,951	41,717,002	222,536	136,845	-	46,664,334
Deletions	-	-	-	(2,890)	(7,787)	-	(10,677)
Exchange differences	-	(59,932)	(535,898)	(3,057)	(1,739)	-	(600,626)

(All amounts in US Dollars unless otherwise stated)

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
At 31 March 2018	**-**	**10,362,516**	**81,272,059**	**547,446**	**315,464**	**-**	**92,497,485**
Charge for the period	-	2,182,680	19,697,539	161,053	73,668	-	22,114,940
Deletions	-	-	-	-	(6,549)	-	(6,549)
Exchange differences	-	(1,194,218)	(9,509,735)	(65,637)	(36,393)	-	(10,805,983)
At 30 September 2018	**-**	**11,350,978**	**91,459,863**	**642,862**	**346,190**	**-**	**103,799,893**
At 1 April 2017	-	5,834,497	40,090,955	330,857	188,145	-	46,444,454
Charge for the period	-	2,302,238	20,898,783	124,097	59,371	-	23,384,489
Exchange differences	-	(81,291)	(635,356)	(4,513)	(2,396)	-	(723,556)
At 30 September 2017	**-**	**8,055,444**	**60,354,382**	**450,441**	**245,120**	**-**	**69,105,387**
Net book value							
At 30 September 2018	**37,608,529**	**128,015,317**	**911,474,581**	**963,979**	**577,736**	**7,451,889**	**1,086,092,031**
At 31 March 2018	41,849,874	145,096,044	1,037,410,752	1,169,774	718,025	6,502,945	1,232,747,414
At 30 September 2017	41,622,933	145,097,291	1,049,156,248	905,359	556,894	12,683,116	1,250,021,841

(All amounts in US Dollars unless otherwise stated)

8. Financial assets and liabilities

The accounting policies for financial instruments have been applied to the line items below:
30 September 2018

	Amortised cost	Financial assets at FVTPL	Total
Financial assets			
Non-current			
Bank deposits	3,715,772	-	3,715,772
Other receivables	2,460,960	-	2,460,960
Derivative financial assets	-	162,242,375	162,242,375
Current			
Other investments	-	926,264	926,264
Bank deposits	51,251,007	-	51,251,007
Trade receivables	110,241,389	-	110,241,389
Other receivables	11,915,506	-	11,915,506
Receivables from unrestricted group	10,829,348	-	10,829,348
Cash and cash equivalents	10,316,252	-	10,316,252
Total	**200,730,234**	**163,168,639**	**363,898,873**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	989,692,861
Other financial liabilities	89,871,808
Current	
Trade and other payables	31,045,465
Other financial liabilities	25,219,373
Total	**1,135,829,507**

31 March 2018

	Loans and receivables*	Available for sale financial assets*	Financial assets at FVTPL	Total
Financial assets				
Non-current				
Bank deposits	4,655,876	-	-	4,655,876
Other receivables	2,750,892	-	-	2,750,892
Derivative financial assets	-		137,284,216	137,284,216
Current				
Available-for-sale financial assets	-	1,012,230	-	1.012,230
Bank deposits	21,342,590	-	-	21,342,590
Trade receivables	85,065,739	-	-	85,065,739
Other receivables	14,073,337	-	-	14,073,337
Receivable from unrestricted group	11,826,988	-	-	11,826,988
Cash and cash equivalents	32,897,520	-	-	32,897,520
Total	**172,612,942**	**1,012,230**	**137,284,216**	**309,897,158**

(All amounts in US Dollars unless otherwise stated)

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	988,953,106
Other financial liabilities	99,529,691
Current	
Trade and other payables	34,391,124
Other financial liabilities	27,170,033
Total	**1,150,043,954**

30 September 2017

	Loans and receivables*	Available for sale financial assets*	Financial assets at FVTPL	Total
Financial assets				
Non-current				
Bank deposits	3,786,239	-	-	3,786,239
Other receivables	2,729,890	-	-	2,729,890
Derivative financial assets	-		101,698,547	101,698,547
Current				
Available-for-sale financial assets	-	986,320	-	986,320
Bank deposits	19,723,210	-	-	19,723,210
Trade receivables	104,482,166	-	-	104,482,166
Other receivables	11,778,350	-	-	11,778,350
Receivables from unrestricted group	12,181,106	-	-	12,181,106
Cash and cash equivalents	18,642,706	-	-	18,642,706
Total	**173,323,667**	**986,320**	**101,698,547**	**276,008,534**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	987,909,044
Other financial liabilities	76,237,251
Current	
Trade and other payables	36,191,502
Other financial liabilities	24,096,667
Total	**1,124,434,464**

(All amounts in US Dollars unless otherwise stated)

The carrying amounts reported in the condensed combined financial position for cash and cash equivalents, bank deposits, trade receivables and other receivables, trade and other payables, borrowings and other liabilities approximate their respective fair values due to their short maturity.

* The Restricted Group has initially applied IFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. Upon adoption of IFRS 9, financial assets classified under loans and receivables category under IAS 39 are falling under Amortised cost category and Available-for-sale financial assets are classified as financial assets through profit and loss

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of 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 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Other investments	926,264	-	-	**926,264**
Derivative financial assets	-	162,242,375	-	**162,242,375**

31 March 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	1,012,230	-	-	**1,012,230**
Derivative financial assets	-	137,284,216	-	**137,284,216**

30 September 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	986,320	-	-	**986,320**
Derivative financial assets	-	101,698,547	-	**101,698,547**

Measurement of fair value of financial instruments

The Restricted Group's finance team performs valuation 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 valuation techniques used for instruments categorised in Level 2 are described below:

Other financial assets: (Level 2)

The Company entered into forward exchange options to mitigate the foreign currency risks. The derivative asset associated with these option contracts are recognised at fair value at inception. Subsequent changes to the fair value of the financial asset from the date of inception till 30 September 2018, have been charged to statement of profit or loss.

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 financial liabilities:

The Company entered into forward exchange options to mitigate the foreign currency risks. Option premium payable pertaining to these contracts are recognised at fair value at inception and subsequently measured at amortised cost using the effective interest rate method.

9. In July 2017, Greenko Dutch B.V., raised funds to the tune of US$350 million and US$650 million by issuing 4.875% and 5.25% US$ Senior Notes (the Senior Notes) respectively to institutional investors. The Senior Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). In accordance with the terms of the issue and as permitted under law, Greenko Dutch B.V. invested issue proceeds, net of issue expenses, to repay the existing 8% US$ Senior notes outstanding along with the associated costs and contributed in non-convertible debentures of certain Indian subsidiaries to enable repayment of existing Rupee debt. For this purpose, Greenko Dutch B.V. is duly registered as a Foreign Portfolio Investor under the Indian law. The interest on the Senior Notes is payable on a semi-annual basis in arrears and the principal amount is payable on 24 July 2022 and 24 July 2024 respectively. The Senior Notes are secured by corporate guarantee of the parent and pledge of shares of Greenko Dutch B.V. owned by Greenko Mauritius. Non-convertible debentures issued to Greenko Dutch B.V. by Indian subsidiaries are secured by pledge of assets of those subsidiaries through an Indian trustee. Further, as per the terms of the senior notes, the Company has an option for early redemption subject to the conditions specified in the instrument.

10. Greenko Rayala Wind Power Private Limited ("Greenko Rayala") and SEI Adhavan Power Private Limited ("Adhavan") forms part of restricted group as described in Note 2 and Note 3 of these financial statements. However, the shares of Adhavan were held by Unrestricted Group entities, Greenko Power Projects (Mauritius) Limited ("GPPML") and Greenko Solar Energy Private Limited ("GSEPL") which do not form part of the restricted group. During the previous year, the shares held by GPPML and GSEPL in Adhavan were acquired by Greenko Rayala on discharge of consideration amounting to USD 18,624,464 which is reflected as part of changes in net parent investment.

(All amounts in US Dollars unless otherwise stated)

11. Segment reporting

The Restricted Group has adopted the "management approach" in identifying the operating segments as outlined in IFRS 8. The Restricted Group operations predominantly relate to generation and sale of electricity. The chief operating decision maker evaluates the Restricted Group 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 are presented.

The Restricted Group 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 2018 represent US$ 64,058,893 (30 September 2017: US$64,217,777; 31 March 2018: US$95,063,504;) of the total revenue.

12. Related-party transactions

The Restricted Group is controlled by Greenko Mauritius, which is a subsidiary of the Parent. The Restricted Group have certain transactions with Greenko Mauritius and its subsidiaries which are not covered under Restricted Group. (Unrestricted Group entities).

Balance receivable/(payable) from/to the Unrestricted Group:

	As at 30 September 2018	As at 31 March 2018	As at 30 September 2017
Balance payable	(17,360,552)	(19,080,063)	(18,516,934)
Balance receivable	28,189,900	30,907,051	30,698,040
Net Receivable	**10,829,348**	**11,826,988**	**12,181,106**

13. Subsequent events

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

KPMG
KPMG Centre
31, Cybercity
Ebène
Mauritius
Telephone +230 406 9999
Telefax +230 406 9988
BRN No. F07000189
Website www.kpmg.mu

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 2018, 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). Management is 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 2018 are not prepared, in all material respects, in accordance with IAS 34, *Interim Financial Reporting*.

KPMG

KPMG
Ebène, Mauritius

Marcelle Fouché
Licensed by FRC

Date: 04 December 2018

Greenko Energy Holdings
(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of financial position

	Notes	30 September 2018 (Unaudited)	31 March 2018 (Audited)	30 September 2017 (Unaudited)
Assets				
Non-current assets				
Property, plant and equipment	7	2,667,237,838	2,975,026,260	2,396,884,087
Intangible assets and goodwill	6	580,992,845	656,936,918	437,243,494
Equity-accounted investees	11	7,172,661	7,429,102	46,746,564
Bank deposits		55,758,354	41,608,261	14,934,536
Derivative financial assets	8	275,833,471	224,041,194	197,204,020
Other receivables		56,463,651	55,603,410	52,520,899
		3,643,458,820	**3,960,645,145**	**3,145,533,600**
Current assets				
Inventories		4,546,108	4,165,880	5,657,742
Trade receivables		200,580,707	131,814,839	179,029,486
Other receivables		142,932,431	102,863,325	226,355,970
Other investments		979,913	1,076,727	1,094,238
Bank deposits		113,863,594	72,842,920	78,509,255
Current tax assets		2,664,067	5,291,789	4,610,496
Cash and cash equivalents		422,487,377	94,712,763	61,724,974
		888,054,197	**412,768,243**	**556,982,161**
Total assets		**4,531,513,017**	**4,373,413,388**	**3,702,515,761**
Equity and liabilities				
Equity				
Share capital		1,415,804,765	967,697,800	967,697,800
Currency translation reserve		(235,566,716)	36,964,977	26,099,062
Other reserves		(1,347,033)	(1,295,174)	(1,338,792)
Retained earnings/(deficit)		113,602,436	28,677,907	(816,994)
Equity attributable to owners of the Company		**1,292,493,452**	**1,032,045,510**	**991,641,076**
Non-controlling interests		(104,468)	(2,455,100)	270,457
Total equity		**1,292,388,984**	**1,029,590,410**	**991,911,533**
Liabilities				
Non-current liabilities				
Retirement benefit obligations		1,883,195	2,185,879	1,694,686
Borrowings		2,568,301,753	2,590,137,612	2,122,874,090
Other financial liabilities	8	142,913,739	161,724,829	147,187,185
Deferred tax liabilities, net		191,969,475	203,604,201	133,537,373
Trade and other payables		40,366,602	34,161,637	26,705,048
		2,945,434,764	**2,991,814,158**	**2,431,998,382**
Current liabilities				
Borrowings		137,007,741	195,690,609	35,099,421
Trade and other payables		94,567,571	104,547,589	191,351,025
Other financial liabilities	8	47,369,373	49,320,033	49,580,620
Current tax liabilities		14,744,584	2,450,589	2,574,780
		293,689,269	**352,008,820**	**278,605,846**
Total liabilities		**3,239,124,033**	**3,343,822,978**	**2,710,604,228**
Total equity and liabilities		**4,531,513,017**	**4,373,413,388**	**3,702,515,761**

Condensed consolidated statement of profit or loss and other comprehensive income

	Six months ended 30 September 2018 (Unaudited)	Six months ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
Revenue	275,596,077	206,329,347	314,323,791
Other operating income	885,393	433,519	353,589
Cost of material and power generation expenses	(17,421,036)	(11,782,699)	(29,378,702)
Employee benefits expense	(6,109,522)	(6,502,557)	(13,892,576)
Other operating expenses	(12,336,693)	(8,058,423)	(31,149,937)
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost	-	-	135,186,582
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**240,614,219**	**180,419,187**	**375,442,747**
Depreciation and amortization	(61,417,197)	(47,472,646)	(101,122,048)
Operating profit	**179,197,022**	**132,946,541**	**274,320,699**
Finance income	54,513,779	2,602,260	5,554,325
Finance costs	(114,219,341)	(96,488,182)	(204,868,983)
Loan restructuring costs	-	(17,676,528)	(17,676,528)
	119,491,460	**21,384,091**	**57,329,513**
Share of loss from equity-accounted investees	(256,441)	(3,485,122)	(7,072,530)
Profit before tax	**119,235,019**	**17,898,969**	**50,256,983**
Taxation	(32,011,717)	(11,806,048)	(17,394,718)
Profit for the period/year	**87,223,302**	**6,092,921**	**32,862,265**
Profit for the period/year Attributable to:			
Owners of the Company	84,872,670	4,675,149	34,170,050
Non – controlling interests	2,350,632	1,417,772	(1,307,785)
	87,223,302	**6,092,921**	**32,862,265**
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Unrealised losses on available-for-sale financial assets	-	(87,475)	(43,857)
Exchange differences on translating foreign operations	(272,531,693)	(21,943,058)	(11,077,143)
Total other comprehensive income	**(272,531,693)**	**(22,030,533)**	**(11,121,000)**
Total comprehensive income	**(185,308,391)**	**(15,937,612)**	**21,741,265**
Total comprehensive income attributable to:			
Owners of the Company	(187,659,023)	(17,355,384)	23,049,050
Non-controlling interests	2,350,632	1,417,772	(1,307,785)
	(185,308,391)	**(15,937,612)**	**21,741,265**

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

(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of changes in equity

	Ordinary shares	Currency translation reserve	Other reserves	Retained earnings/ (deficit)	Total attributable to owners of Company	Non-controlling interests	Total equity
At 1 April 2017	967,697,800	48,042,120	(1,251,317)	(5,596,949)	1,008,891,654	(1,097,092)	1,007,794,562
Issue of shares to non-controlling interests in subsidiaries	-	-	-	-	-	54,583	54,583
Share of retained earnings attributed to non-controlling interests in subsidiaries	-	-	-	104,806	104,806	(104,806)	-
	-	**-**	**-**	**104,806**	**104,806**	**(50,223)**	**54,583**
Profit for the year	-	-	-	34,170,050	**34,170,050**	(1,307,785)	**32,862,265**
Unrealised loss on available-for-sale financial assets	-	-	(43,857)	-	**(43,857)**	-	**(43,857)**
Exchange differences on translating foreign operations	-	(11,077,143)	-	-	**(11,077,143)**	-	**(11,077,143)**
Total comprehensive income	-	**(11,077,143)**	**(43,857)**	**34,170,050**	**23,049,050**	**(1,307,785)**	**21,741,265**
At 31 March 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**

(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of changes in equity (continued)

	Ordinary shares	Currency translation reserve	Other reserves	Retained earnings/ (deficit)	Total attributable to owners of Company	Non-controlling interests	Total equity
At 1 April 2017	967,697,800	48,042,120	(1,251,317)	(5,596,949)	**1,008,891,654**	(1,097,092)	1,007,794,562
Issue of shares to non-controlling interests in subsidiaries	-	-	-	-	-	54,583	**54,583**
Share of retained earnings attributed to non-controlling interests in subsidiaries	-	-	-	104,806	**104,806**	(104,806)	-
	-	**-**	**-**	**104,806**	**104,806**	**(50,223)**	**54,583**
Profit for the period	-	-		4,675,149	**4,675,149**	1,417,772	**6,092,921**
Unrealised loss on available-for-sale financial assets	-	-	(87,475)	-	**(87,475)**	-	**(87,475)**
Exchange differences on translating foreign operations	-	(21,943,058)	-	-	**(21,943,058)**	-	**(21,943,058)**
Total comprehensive income	**-**	**(21,943,058)**	**(87,475)**	**4,675,149**	**(17,355,384)**	**1,417,772**	**(15,937,612)**
At 30 September 2017	**967,697,800**	**26,099,062**	**(1,338,792)**	**(816,994)**	**991,641,076**	**270,457**	**991,911,533**

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

(All amounts in US Dollars unless otherwise stated)

Condensed consolidated statement of cash flow

		Six months ended 30 September 2018 (Unaudited)	Six months ended 30 September 2017 (Unaudited)	Year ended 31 March 2018 (Audited)
A.	**Cash flows from operating activities**			
	Profit before taxation	119,235,019	17,898,969	50,256,983
	Adjustments for			
	Depreciation and amortization	61,417,197	47,472,646	101,122,048
	Finance income	(54,513,779)	(2,602,260)	(5,554,325)
	Finance costs	114,219,341	96,488,182	204,868,983
	Loan restructuring costs	-	17,676,528	17,676,528
	Share of loss from equity-accounted investees	256,441	3,485,122	7,072,530
	Excess of Group's interest in the fair value of acquiree's assets and liabilities over cost	-	-	(135,186,582)
	Changes in working capital			
	Inventories	(859,309)	804,312	2,442,182
	Trade and other receivables	(151,066,994)	(81,144,701)	(17,823,049)
	Trade and other payables	4,185,060	21,847,517	(4,014,550)
	Cash generated from in operations	**92,872,976**	**121,926,315**	**220,860,748**
	Taxes paid, net	(5,276,983)	(1,482,713)	(6,968,635)
	Net cash from operating activities	**87,595,993**	**120,443,602**	**213,892,113**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment and capital expenditure, net	(48,479,173)	(55,736,802)	(125,173,399)
	Acquisition of business, net of cash and cash equivalents acquired	-	-	(30,428,154)
	Proceeds from sale of Investment in mutual funds	-	824,498	802,225
	Investment in Equity-accounted investees	-	-	(2,913,485)
	Consideration paid for acquisitions made by subsidiaries	(2,905,560)	(442,311)	(1,131,584)
	Advance for purchase of equity	(4,378,923)	(1,848,687)	(1,070,597)
	Advances from/(to) Equity-accounted investees, net	4,659,448	(150,623,535)	(129,429,458)
	Bank deposits	(70,628,972)	56,320,594	91,060,160
	Interest received	7,057,066	3,554,268	6,282,347
	Net cash used in investing activities	**(114,676,114)**	**(147,951,975)**	**(192,001,945)**
C.	**Cash flows from financing activities**			
	Proceeds from issue of shares (Net of expenses)	448,106,965	-	-
	Proceeds from non-controlling interests	-	54,583	54,583
	Proceeds from borrowings (Net of expenses)	200,529,780	1,060,371,495	1,172,818,507
	Repayment of borrowings	(158,704,509)	(1,000,785,707)	(1,037,342,263)
	Proceeds from Capital subsidy	-	483,147	482,547
	Interest paid	(133,474,968)	(134,479,882)	(225,858,571)
	Net cash from/(used in) financing activities	**356,457,268**	**(74,356,364)**	**(89,845,197)**
	Net increase/(decrease) in cash and cash equivalents	**329,377,147**	**(101,864,737)**	**(67,955,029)**
	Cash and cash equivalents at the beginning of the period/year	94,712,763	164,151,570	164,151,570
	Exchange losses on cash and cash equivalents	(1,602,533)	(561,859)	(1,483,778)
	Cash and cash equivalents at the end of the period/year	**422,487,377**	**61,724,974**	**94,712,763**

The explanatory notes are an integral part of these 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 except the state of Jammu and Kashmir. 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 2018 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 2018.

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. and Greenko Investment Company, wholly owned subsidiaries. Greenko Energy Holdings is Parent Guarantor for Senior Notes issued by these entities. Additional financial information pertaining to financial position as at 30 September 2017 and profit or loss and other comprehensive income and cash flows for the year ended 31 March 2018 along with the explanatory notes for the respective periods have been provided in these financial statements pursuant to the requirements contemplated in the indenture. The financial information for the period from 1 April 2018 to 30 September 2018 and 1 April 2017 to 30 September 2017 are unaudited and have been reviewed. The comparatives for the year ended and as at 31 March 2018 are audited and have been extracted from the audited consolidated financial statements for the year ended 31 March 2018.

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 2018 except for the changes to the accounting policies on adoption of IFRS 9, "Financial instruments", and IFRS 15, "Revenue from Contracts with Customers" 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 2019.

3. Significant accounting policies (continued)

Classification and measurement of financial assets and financial liabilities

IFRS 9, Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9, "Financial instruments". IFRS 9 significantly differs from IAS 39, "Financial Instruments: Recognition and Measurement", and includes a logical model for classification and measurement, a single, forward-looking "expected loss" impairment model and a substantially-reformed approach to hedge accounting.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The Group applied the cumulative retrospective method upon adoption of IFRS 9 on 1 April 2018. This method requires the recognition of the cumulative effect of initially applying IFRS 9 to retained earnings and not to restate prior years. The cumulative effect recorded at 1 April 2018 was an increase to retained earnings of USD 51,859.

Detailed below is the classification and measurement impact of the implementation of IFRS 9 on the group.

Available-for-sale financial assets - Investment in mutual funds

Investment in mutual funds, was previously classified as available-for-sale investments. The unrealised gains and losses which were previously recognised in other comprehensive income will now be recognised in the profit or loss. On transition to IFRS 9, the unrealised gain of USD 51,859 previously recognised in other comprehensive income was transferred to retained earnings on 1 April 2018. Investment in mutual funds as on the balance sheet dates are classified under financial assets through profit and loss as other investments.

Impairment of financial assets – Expected credit loss

In accordance with IFRS 9, the Group has implemented the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets. Trade receivables including unbilled revenue, other receivables, security deposits, etc. are measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk, rather it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition. For all other financial assets, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

3. Significant accounting policies (continued)

Classification and measurement of financial assets and financial liabilities (continued)

Loss allowances for financial assets measured at amortised 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 the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers". This comprehensive new standard supersedes IAS 18, "Revenue", IAS 11, "Construction contracts" and related interpretations. The new standard amends revenue recognition requirements and establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

a) Sale of electricity

Revenue from the sale of electricity is recognised 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 power purchase agreement/feed-in-tariff policy/market rates as applicable less the wheeling and banking charges applicable, if any. Claims for delayed payment charges and other claims, if any, are recognised as per the terms of power purchase agreements only when there is no uncertainty associated with the collectability of the claims. There was no change in the point of recognition of revenue upon adoption of IFRS 15.

b) Sale of REC

Revenue from sale of RECs is recognised after registration of the project with central and state government authorities, generation of power and execution of a contract for sale through recognised energy exchanges in India. There was no change in the point of recognition of revenue upon adoption of IFRS 15.

c) Generation Based Incentive (GBI)

Revenue from GBI is recognised based on the number of units exported and if the eligibility criteria is met in accordance with the guidelines issued by regulatory authority for GBI Scheme. There was no change in the point of recognition of revenue upon adoption of IFRS 15.

The Group applied the modified retrospective method upon adoption of IFRS 15 on April 1, 2018. This method requires the recognition of the cumulative effect of initially applying IFRS 15 to retained earnings and not to restate prior years.

Overall, the application of this standard did not have any impact on the revenue streams from the sale of electricity, Sale of REC and Generation based incentive.

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, 2018 except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 9 and IFRS 15, which are disclosed in Note 3 above.

5. Recent accounting pronouncements

Standards issued but not yet effective and not early adopted by the Group

IFRS 16, Leases

In January 2016, the IASB issued a new standard, IFRS 16, "Leases". The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17, "Leases", and related interpretations and is effective for periods beginning on or after January 1, 2019. Earlier adoption of IFRS 16 is permitted if IFRS 15, "Revenue from Contracts with Customers", has also been applied.

Upon adoption, a portion of the annual operating lease expense, which is currently fully recognised as other operating expense, will be recognised as finance expense. Further, a portion of the annual lease payments recognised in the cash flow statement as reduction of lease liability will be recognised as outflow from financing activities, which are currently fully recognised as an outflow from operating activities.

The Group has completed an initial assessment of the potential impact of IFRS 16 on the financial statements. There is no material impact of adoption of IFRS 16 on its consolidated financial statements.

IFRIC 23, Uncertainty over Income Tax treatments

On June 7, 2017, the IFRS Interpretations Committee issued IFRIC 23, which clarifies how the recognition and measurement requirements of IAS 12 "Income taxes", are applied where there is uncertainty over income tax treatments.

IFRIC 23 explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the applicable tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under applicable tax law. The interpretation provides specific guidance in several areas where previously IAS 12 was silent. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

The interpretation is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted. An entity can, on initial application, elect to apply this interpretation either:
-retrospectively applying IAS 8, if possible without the use of hindsight; or
-retrospectively, with the cumulative effect of initially applying the interpretation recognized at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

The Group is in the process of evaluating the impact of IFRIC 23 on the consolidated financial statements.

(All amounts in US Dollars unless otherwise stated)

6. Intangible assets and goodwill

	Licences	Electricity PPAs	Development fee	Goodwill	Total
Cost					
At 1 April 2017	140,488,520	53,810,510	-	259,359,772	453,658,802
Acquisition through business combination (Refer Note 12)	-	190,565,964	35,661,691	120,361	226,348,016
Additions	-	-	-		-
Exchange differences	(419,707)	(408,196)	-	(798,502)	(1,626,405)
At 31 March 2018	**140,068,813**	**243,968,278**	**35,661,691**	**258,681,631**	**678,380,413**
Additions	**-**	**-**	**-**	**-**	**-**
Exchange differences	(18,085,138)	(25,254,332)	(3,691,512)	(26,777,381)	(73,808,363)
At 30 September 2018	**121,983,675**	**218,713,946**	**31,970,179**	**231,904,250**	**604,572,050**
At 1 April 2017	140,488,520	53,810,510	-	259,359,772	453,658,802
Exchange differences	(1,085,894)	(428,113)	-	(2,063,449)	(3,577,456)
At 30 September 2017	**139,402,626**	**53,382,397**	**-**	**257,296,323**	**450,081,346**
Accumulated amortisation					
At 1 April 2017	2,596,586	6,230,919	-	-	8,827,505
Charge for the year	6,603,229	6,119,199	-	-	12,722,428
Exchange differences	(31,811)	(74,627)	-	-	(106,438)
At 31 March 2018	**9,168,004**	**12,275,491**	**-**	**-**	**21,443,495**
Charge for the period	1,245,823	6,456,592	707,254	-	8,409,669
Exchange differences	(4,604,339)	(1,630,235)	(39,385)	-	(6,273,959)
At 30 September 2018	**5,809,488**	**17,101,848**	**667,869**	**-**	**23,579,205**
At 1 April 2017	2,596,586	6,230,919	-	-	8,827,505
Charge for the period	1,306,695	2,836,641	-	-	4,143,336
Exchange differences	(40,451)	(92,538)	-	-	(132,989)
At 30 September 2017	**3,862,830**	**8,975,022**	**-**	**-**	**12,837,852**
Net book value					
At 30 September 2018	**116,174,187**	**201,612,098**	**31,302,310**	**231,904,250**	**580,992,845**
At 31 March 2018	130,900,809	231,692,787	35,661,691	258,681,631	656,936,918
At 30 September 2017	135,539,796	44,407,375	-	257,296,323	437,243,494

(All amounts in US Dollars unless otherwise stated)

7. Property, plant and equipment

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
Cost							
At 1 April 2017	63,212,849	319,869,434	1,967,100,693	5,205,876	3,052,195	188,095,056	2,546,536,103
Acquisition through business combination (Refer Note 12)	2,642,918	10,183,287	557,282,288	606,881	91,052	106,762	570,913,188
Additions	1,672,887	1,869,091	21,645,042	2,099,191	1,262,133	19,697,709	48,246,053
Disposals/capitalisation	(398,395)	-	(71,671)	(37,870)	(24,778)	(17,872,211)	(18,404,925)
Exchange differences	(217,377)	(1,004,043)	(6,625,678)	(32,660)	(19,287)	(555,210)	(8,454,255)
At 31 March 2018	**66,912,882**	**330,917,769**	**2,539,330,674**	**7,841,418**	**4,361,315**	**189,472,106**	**3,138,836,164**
Additions	149,125	2,164,911	35,494,259	262,170	20,096	50,508,564	88,599,125
Disposals/capitalisation	-	-	(15,127)	(18,613)	(16,320)	(36,911,717)	(36,961,777)
Exchange differences	(6,934,779)	(34,375,447)	(264,393,636)	(825,266)	(451,671)	(19,345,702)	(326,326,501)
At 30 September 2018	**60,127,228**	**298,707,233**	**2,310,416,170**	**7,259,709**	**3,913,420**	**183,723,251**	**2,864,147,011**
At 1 April 2017	63,212,849	319,869,434	1,967,100,693	5,205,876	3,052,195	188,095,056	2,546,536,103
Additions	106,182	121,420	20,870,666	1,299,562	521,171	(34,486,383)	(11,567,382)
Exchange differences	(504,525)	(2,546,701)	(15,932,406)	(61,102)	(32,177)	(181,968)	(19,258,879)
At 30 September 2017	**62,814,506**	**317,444,153**	**1,972,038,953**	**6,444,336**	**3,541,189**	**153,426,705**	**2,515,709,842**
Accumulated depreciation							
At 1 April 2017	-	8,375,003	67,155,080	632,765	331,027	-	76,493,875
Charge for the year	1,922	9,549,000	77,335,234	997,696	515,768	-	88,399,620
Disposals	-	-	(5,647)	(2,886)	(7,779)	-	(16,312)
Exchange differences	(15)	(113,136)	(937,458)	(11,020)	(5,650)	-	(1,067,279)
At 31 March 2018	**1,907**	**17,810,867**	**143,547,209**	**1,616,555**	**833,366**	**-**	**163,809,904**
Charge for the period	2,737	4,929,623	47,108,162	681,409	285,597	-	53,007,528
Disposals	-	-	(4,461)	(2,863)	(19,599)	-	(26,923)
Exchange differences	(350)	(2,118,198)	(17,456,590)	(205,121)	(101,077)	-	(19,881,336)
At 30 September 2018	**4,294**	**20,622,292**	**173,194,320**	**2,089,980**	**998,287**	**-**	**196,909,173**

(All amounts in US Dollars unless otherwise stated)

7. Property, plant and equipment (continued)

	Land (including rights)	Buildings	Plant and machinery	Furniture and equipment	Vehicles	Capital work-in-progress	Total
At 1 April 2017	-	8,375,003	67,155,080	632,765	331,027	-	76,493,875
Charge for the period	-	4,785,930	37,810,071	485,957	247,352	-	43,329,310
Exchange differences	-	(139,123)	(839,532)	(12,395)	(6,380)	-	(997,430)
At 30 September 2017	**-**	**13,021,810**	**104,125,619**	**1,106,327**	**571,999**	**-**	**118,825,755**
Net book values							
At 30 September 2018	**60,122,934**	**278,084,941**	**2,137,221,850**	**5,169,729**	**2,915,133**	**183,723,251**	**2,667,237,838**
At 31 March 2018	66,910,975	313,106,902	2,395,783,465	6,224,863	3,527,949	189,472,106	2,975,026,260
At 30 September 2017	62,814,506	304,422,343	1,867,913,334	5,338,009	2,969,190	153,426,705	2,396,884,087

(All amounts in US Dollars unless otherwise stated)

8. Financial assets and liabilities

The accounting policies for financial instruments have been applied to the line items below:

30 September 2018

	Amortised cost	Financial assets at FVTPL	Total
Financial assets			
Non-current			
Bank deposits	55,758,354	-	55,758,354
Other receivables	56,463,651	-	56,463,651
Derivative financial assets	-	275,833,471	275,833,471
Current			
Other investments	-	979,913	979,913
Bank deposits	113,863,594	-	113,863,594
Trade receivables	200,580,707	-	200,580,707
Other receivables	142,932,431	-	142,932,431
Cash and cash equivalents	422,487,377	-	422,487,377
Total	**992,086,114**	**276,813,384**	**1,268,899,498**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	2,568,301,753
Trade and other payables	40,366,602
Other financial liabilities	142,913,739
Current	
Borrowings	137,007,741
Trade and other payables	94,567,571
Other financial liabilities	47,369,373
Total	**3,030,526,779**

31 March 2018

	Loans and receivables*	Available-for- sale *	Financial assets at FVTPL	Total
Financial assets				
Non-current				
Bank deposits	41,608,261	-	-	41,608,261
Other receivables	55,603,410	-	-	55,603,410
Derivative financial assets	-		224,041,194	224,041,194
Current				
Available-for-sale financial assets	-	1,076,727	-	1,076,727
Bank deposits	72,842,920	-	-	72,842,920
Trade receivables	131,814,839	-	-	131,814,839
Other receivables	102,863,325	-	-	102,863,325
Cash and cash equivalents	94,712,763	-	-	94,712,763
Total	**499,445,518**	**1,076,727**	**224,041,194**	**724,563,439**

(All amounts in US Dollars unless otherwise stated)

8. Financial assets and liabilities (continued)

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	2,590,137,612
Trade and other payables	34,161,637
Other financial liabilities	161,724,829
Current	
Borrowings	195,690,609
Trade and other payables	104,547,589
Other financial liabilities	49,320,033
Total	**3,135,582,309**

30 September 2017

	Loans and receivables*	Available-for- sale *	Financial assets at FVTPL	Total
Financial assets				
Non-current				
Bank deposits	14,934,536	-	-	14,934,536
Other receivables	52,520,899	-	-	52,520,899
Derivative financial assets	-	-	197,204,020	197,204,020
Current				
Available-for-sale financial assets	-	1,094,238	-	1,094,238
Bank deposits	78,509,255	-	-	78,509,255
Trade receivables	179,029,486	-	-	179,029,486
Other receivables	226,355,970	-	-	226,355,970
Cash and cash equivalents	61,724,974	-	-	61,724,974
Total	**613,075,120**	**1,094,238**	**197,204,020**	**811,373,378**

	Liabilities measured at amortised cost
Financial liabilities	
Non-current	
Borrowings	2,122,874,090
Trade and other payables	26,705,048
Other financial liabilities	147,187,185
Current	
Borrowings	35,099,421
Trade and other payables	191,351,025
Other financial liabilities	49,580,620
Total	**2,572,797,389**

The carrying amounts reported in the condensed consolidated statement of financial position for cash and cash equivalents, trade receivables and other receivables, trade and other payables approximate their respective fair values due to their short maturity.

* The Group has initially applied IFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated. Upon adoption of IFRS 9, financial assets classified under loans and receivables category under IAS 39 are falling under amortised cost category and Available-for-sale financial assets are classified as financial assets through profit and loss.

(All amounts in US Dollars unless otherwise stated)

8. Financial assets and liabilities (continued)

Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of 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 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Other investments	979,913	-	-	**979,913**
Derivative financial assets	-	275,833,471	-	**275,833,471**

31 March 2018

	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	1,076,727	-	-	**1,076,727**
Derivative financial assets	-	224,041,194	-	**224,041,194**

30 September 2017

	Level 1	Level 2	Level 3	Total
Financial assets				
Available-for-sale financial assets	1,094,238	-	-	**1,094,238**
Derivative financial assets	-	197,204,020	-	**197,204,020**

Measurement of fair value of financial instruments

The Group's finance team performs valuation 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 valuation techniques used for instruments categorised in Level 2 are described below:

Derivative financial assets (Level 2)

The Group entered into forward exchange options and forward contracts to mitigate the foreign currency risks. The derivative asset associated with these contracts are recognised at fair value at inception. Subsequent changes to the fair value of the financial asset from the date of inception till 30 September 2018, have been charged to statement of profit or loss.

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.

(All amounts in US Dollars unless otherwise stated)

9. **Commitments**

Capital expenditure contracted for at 30 September 2018 but not yet incurred aggregated to US $ 58,537,448 (31 March 2018: US$ 75,436,876, 30 September 2017: US $ 34,992,911).

10. **Related-party transactions**

a) Set out below are the details of the Group's significant equity-accounted investees.

SI. No.		% of equity holding
1.	Jilesh Power Private Limited	49%
2.	Zuka Power Private Limited	49%
3.	SEI Green Flash Private Limited	49%
4.	Rain Coke Limited	49%
5.	SEI Arushi Private Limited	49%

In addition to the above material associates, the Group also has 10 associates based in India.

b) **Equity-accounted investees**

	30 September 2018	31 March 2018	30 September 2017
Amount receivable	86,648,610	104,001,369	175,881,431
Amount payable	2,255,824	4,955,928	40,997,803
Deferred gain*	-	-	552,157

* represents the net impact of transactions which took place with equity-accounted investees during the period.

11. **Equity-accounted investees**

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

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

	30 September 2018	31 March 2018	30 September 2017
Carrying amount of interests in associates	7,429,102	50,231,686	50,231,686
Additional investment during the period	-	2,913,485	-
Transfer on account of business combination	-	(38,643,539)	-
Share of:			
Loss from continuing operations	(256,441)	(7,072,530)	(3,485,122)
Other comprehensive income	-	-	-
	7,172,661	**7,429,102**	**46,746,564**

(All amounts in US Dollars unless otherwise stated)

12. Business combinations

31 March 2018:

a) AP Solar entities:

During September 2016, the Company through its wholly owned subsidiaries has acquired 49% shareholding in below solar entities from SunEdison Group which are under development projects situated in Andhra Pradesh (collectively referred as "AP Solar entities"). These entities are operating entities with capacity of 500 MW. During the previous years, the Group obtained the control over the Board of these companies including the power to direct the relevant activities of the investee unilaterally and the balance 51% shareholding of these entities.

Sl no	Entity
1.	Aarish Solar Power Private Limited
2.	Aashman Energy Private Limited
3.	Divyesh Power Private Limited
4.	Elena Renewable Energy Private Limited
5.	Pratyash Renewable Private Limited
6.	SEI Baskara Power Private Limited
7.	SEI Enerstar Renewable Energy Private Limited
8.	SEI Mihir Energy Private Limited
9.	Shreyas Renewable Energy Private Limited
10.	Zuvan Energy Private Limited

Excess of group's interest in the fair value of acquiree's assets and liabilities over cost is due to Seller's compulsion to exit within the defined timeline from their Indian business and through bidding process, the company could get fairly decent bargain purchase.

b) Other entities:

During the year ended 31 March 2018, the Group acquired 100% of the shares and voting interests in Karvy Solar Power Limited, New Era Enviro Ventures (Mahbubnagar) Private Limited, Premier Photovoltaic Medak Private Limited, Pennar Renewables Private Limited, Proeco Energy Private Limited, Saimeg Infrastructure (Mahbubnagar) Private Limited and Sharp Cleantech Infra Private Limited (collectively referred as "**other entities**") from different developers. These acquisitions were made to enhance the generating capacity of the Group from clean energy assets and has an operating solar power with capacity of 89 MW in the states of Andhra Pradesh and Telanagana. These entities are individually immaterial acquisitions and hence these entities are aggregated for IFRS 3 disclosures perspective. The effective date of acquisitions were 1 November 2017 and 1 December 2017.

Details of above acquisitions are set out below:

	AP Solar Entities	**Other entities**	**Total**
Purchase consideration:			
- Cash paid	-	33,490,847	33,490,847
- Advance for purchase of equity	31,585,350	1,549,907	33,135,257
- Investment in associates	38,643,539	-	38,643,539
- Consideration payable	-	3,061,229	3,061,229
Total purchase consideration	**70,228,889**	**38,101,983**	**108,330,872**
Fair value of net assets acquired	198,874,993	44,522,100	243,397,093
Goodwill	-	120,361	120,361
Excess of group's interest in the fair value of acquiree's assets and liabilities over cost	128,646,104	6,540,478	135,186,582

(All amounts in US Dollars unless otherwise stated)

12. Business combinations (continued)

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

	AP Solar entities	Other entities	Total
Property, plant and equipment	481,804,320	89,108,868	570,913,188
Net working capital	12,676,975	1,967,167	14,644,142
Long term loans and advances	3,575,165	420,555	3,995,720
Other payables	(34,218,831)	(52,348)	(34,271,179)
Intangible assets	195,868,205	30,359,450	226,227,655
Bank deposits	53,674,662	1,501,297	55,175,959
Cash and cash equivalents	2,383,634	679,059	3,062,693
Deferred tax liability	(55,634,524)	(13,983,718)	(69,618,242)
Borrowings	(461,254,613)	(65,478,230)	(526,732,843)
Net assets	**198,874,993**	**44,522,100**	**243,397,093**
Total Purchase consideration	70,228,889	38,101,983	108,330,872
Amount paid during the previous year	(31,585,350)	(1,549,907)	(33,135,257)
Investment in associates	(38,643,539)	-	(38,643,539)
Consideration payable	-	(3,061,229)	(3,061,229)
Cash and cash equivalents	(2,383,634)	(679,059)	(3,062,693)
Net cash outflow on acquisitions during the previous year	**(2,383,634)**	**32,811,788**	**30,428,154**

13. Subsequent events

- During October 2018, the Group has acquired power portfolio of Orange Renewable in India consisting of 907 MW of operational and near completion wind and solar assets from AT Holdings Pte Ltd.

- Further during October 2018, the Group has also acquired Skeiron Green Power group in India consisting of 384 MW of operational wind assets from Tanti Holdings Private Limited, AEP II Holdings Pte. Ltd. and Golden Slam India Investments Private Limited.

These acquisitions are part of Group's growth strategy. The Group is currently in the process of finalizing the purchase price allocation to various assets acquired and liabilities assumed.

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") and Greenko Investment Company ("Restricted Group II").

Overview

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

As on date, our overall operational capacity to about 4.5 GW of well diversified and de-risked portfolio of Wind, Solar and Hydro projects.

As of 30 September 2018, our portfolio of assets consists of (i) 80 operational projects with a combined installed capacity of 2,584.0 MW, comprising 21 operational hydropower projects with a total installed capacity of 379.8 MW, 18 operational wind energy projects with a total installed capacity of 1,133.0 MW, 34 operational solar energy projects with a total installed capacity of 992.9 MW and seven operational thermal projects (which include biomass and gas) with a total installed capacity of 78.3 MW, (ii) four projects under construction with a total licensed capacity of 127.6 MW, comprising three hydropower projects with a total licensed capacity of 57.6 MW and one wind energy projects with a total licensed capacity of 70.0 MW, and (iii) 12 projects under active development with a total licensed capacity of 679.2 MW, comprising 8 hydropower projects with a total licensed capacity of 484.0 MW and 4 wind energy projects with a total licensed capacity of 195.2 MW.

As of 30 September 2018, the Restricted Group accounted for 41.6% of the total installed capacity of our operational projects, consisting of 17 operational hydro power projects with a total installed capacity of 235.3 MW (61.9% of the total installed capacity of our operational hydro power projects) and 7 operational wind energy projects with a total installed capacity of 440.0 MW (38.8% of the total installed capacity of our operational wind energy projects) and 13 operational solar energy projects with a total installed capacity of 399.4 MW (40.2% of total installed capacity of our operational solar energy projects).

As of 30 September 2018, the Restricted Group II accounted for 19.4% of the total installed capacity of our operational projects, consisting of 3 operational hydro power projects with a total installed capacity of 128.5 MW (33.8% of the total installed capacity of our operational hydro power projects) and 6 operational wind energy projects with a total installed capacity of 374.0 MW (33.0% of the total installed capacity of our operational wind energy projects).

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 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 Himachal Pradesh, Uttarakhand and Sikkim 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 shutdown. 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 Indian throughout most of the year as India ranks among the highest irradiation receiving countries in the world.

We are also subject to the effects of the weather on demand for electricity in India and consequently, our results of operations are affected by variations in general weather conditions. Generally demand for electricity peaks in winter and summer. Typically, when winters are warmer than expected and summers are cooler than expected, demand for energy is lower than forecasted. Significant variations from normal weather where our projects are located could have a material impact on our results of operations to the extent we are not protected from exposure to variation in demand through long-term contracts.

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, post 30 September, 2018 Orange and Skeiron assets, 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, 2018 and 30 September, 2017:

	As of 30 September, 2018 Capacity (MW)	**As of 30 September, 2017 Capacity (MW)**
Operational projects.......................................	2,584.0	1,936.5

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 turbines to OEM suppliers, we are also building in-house skills concurrently to oversee and back-up the operations and maintenance of our turbines, a model which is different from that generally adopted by our competitors.

A key driver of our results of operations is our ability to bring new projects into commercial operation successfully. As of 30 September 2018, we have 80 operational projects with a combined installed capacity of 2,584.0 MW and our under-construction projects include interests in three hydropower projects and one wind energy projects having a combined licensed capacity of 127.6 MW. We expect these projects to become operational over the next 24 months. Our under-active development projects include interests in 8 hydropower projects and 4 wind energy projects having a combined licensed capacity of 679.2 MW. Our near-term operating projects will, in part, depend upon our ability to transition these projects into commercial operations in accordance with our existing construction budgets and schedules.

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 PPAs are generally structured in three ways:

- *Feed-in Tariffs.* PPAs with preferential feed-in tariffs ("FITs") (including PPAs for solar projects obtained through competitive bidding) having a term of between 10 to 25 years which provide greater downside protection since the tariffs are generally fixed for the duration of the PPA. PPAs based on FITs generally do not escalate for inflation.

- *Third party direct sales*. Open access tariffs or group captive consumer or third party direct sales linked to commercial tariffs which provide potential for upside based on increases in tariffs charged by state utilities to their industrial and commercial consumers in future years. Such PPAs are generally entered into on a long-term basis, providing clear visibility of revenues for the relevant project with potential growth in revenues from better payment terms.

- *APPC tariffs*. PPAs with tariffs based on average power purchase cost of electricity ("APPC") plus RECs which offer greater upside revenue potential depending on the annual escalation in APPC tariffs and the market price of the RECs that may be sold. As the term of such PPAs is generally short, this PPA model allows us the flexibility to move to the merchant tariff model at an appropriate time with direct customers or group captive consumers, enhancing the revenue realization of the relevant projects.

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 Condensed Consolidated Interim Financial Statements and the Restricted Group Condensed Combined Interim Financial Statements are presented in U.S. dollar. However, the functional currency of our operating subsidiaries in India is Indian rupees and they generate revenues and incur expenditure in Indian rupees. In addition, as the equity or debt raised outside India from holding and group companies is always in foreign currency, presentation of currency translation issues in the statement of profit or loss 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 these 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, benefits all wind capacity commissioned. In addition 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. For example, the aim of the Indian Government is for 17.0% of India's energy requirements to be derived from renewable energy sources by 2019 and the Renewable Purchase Obligation ("RPO") is one of the regulatory measures implemented to ensure the achievement of this goal. 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 REC certificates, GBI and interest received for delayed payments, if any.

Sale of power

Revenue from the sale of power is dependent on the amount of power generated by our projects and is recognized on the basis of the number of units of power exported in accordance with joint meter readings undertaken with transmission companies at the rates prevailing on the date of export as determined by the PPA, feed-in tariff policy or market rates as applicable less the wheeling and banking charges applicable, if any. Claims for delayed payment charges and other claims, if any, are recognized as per the terms of PPAs only when there is no uncertainty associated with the collectability of such claims.

Sale of renewable energy certificates

RECs are a type of environmental commodity intended to provide an economic incentive for electricity generation from renewable energy sources and represent the attributes of electricity generated from renewable energy sources such as hydro, wind and solar. These attributes are unbundled from the physical electricity and the two products, first being the attributes embodied in the certificates, and second being electricity, may be sold or traded separately. Revenue from sale of RECs is recognized after registration of the project with central and state government authorities, generation of power and execution of a contract for sale through recognized energy exchanges in India.

Generation Based Incentive

The GBI scheme, which provides an incremental incentive of Rs. 0.5/kWh capped at Rs. 10 million per MW, was reinstated in April 2013 for new wind energy projects and benefits all the wind capacity commissioned since that date to 31 March 2017. Revenue from GBI is recognized based on the number of units exported or if the eligibility criteria is met in accordance with the guidelines issued by the Indian Renewable Energy Development Agency Limited for GBI scheme.

Other Operating Income

Other operating income refers to income from activities other than normal business operations, and includes profit or loss on sale and disposal of assets, exchange difference in foreign currency-denominated current accounts.

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.

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	30-35 years
Plant and machinery	20-36 years
Furniture, fixtures and equipment	5-10 years
Vehicles	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
PPAs	5-25 years

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.

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.

Income Tax Expense

Income tax expense 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.

Share of Loss from Equity-Accounted Investees

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

Results of Operations — Greenko Energy Holdings Condensed Consolidated Interim Financial Statements

Six months ended 30 September, 2018 compared to six months ended 30 September, 2017

Revenue

Our revenue was increased by 33.6% to US$275.6 million in 6 months ended 30 September 2018 from US$206.3 million in the 6 Months ended 30 September 2017.

The tables below set forth the breakdown of our revenue for the indicated periods by type and asset class.

	6 Months ended 30 September 2018	**6 Months ended 30 September 2017**
	(US$ in millions)	**(US$ in millions)**
Revenue	275.6	206.3
Installed capacity at beginning of period (MW)	2,543.5	1,936.5
Installed capacity at end of period (MW)	2,584.0	1,936.5
Generation (GWh)	4,144.1	3,043.8

	6 Months ended 30 September 2018	**6 Months ended 30 September 2017**
	(US$ in millions)	**(US$ in millions)**
Revenues from wind energy projects	149.5	129.1
Revenues from hydropower projects	48.5	46.0
Revenues from solar projects	76.4	27.1
Revenues from thermal projects	1.2	4.1
Total	**275.6**	**206.3**

Revenue for the wind power projects in the 6 months ended 30 September, 2018 was increased by 15.8% to US$149.5 million compared to US$129.1 million in the 6 months ended 30 September, 2017. Revenue for the hydro power projects increased by 5.4% to US$48.5 million compared to US$46.0 million in the previous year of the same period. Revenue for the solar projects increased by 182.6% to US$76.4 million compared to US$27.1 million in the previous year of the same period. Revenue for the thermal power projects in the 6 months ended 30 September, 2018 was decreased by 70.8% to US$1.2 million compared to US$4.1 million in the previous year of the same period. Generation was increased by 36.1% to 4,144.1 GWh in the 6 Months ended 30 September, 2018 from 3,043.8 GWh in the 6 Months ended 30 September, 2017. The increase was primarily due to increased operating capacity.

Our wind power projects delivered an average PLF of 40.9% in the 6 Months ended 30 September, 2018, 33.6% in the 6 Months ended 30 September, 2017. The increase in PLF is mainly on account of higher wind availability in 2018 compared to wind availability in 2017.

Our hydropower projects delivered an average PLF of 65.0% in the 6 Months ended 30 September, 2018, 61.0% in the 6 Months ended 30 September, 2017.

Our solar projects delivered an average PLF of 23.1% in the 6 Months ended 30 September, 2018, 16.0% in the 6 Months ended 30 September, 2017.

Generation has been increased by 36.1% in the 6 months ended 30 September, 2018 against 6 months ended 30 September, 2017 and an increase of revenue by 42.2%, in the 6 months ended 30 September, 2018 against 6 months ended 30 September, 2017 in terms of Indian Rupees. However, in terms of US dollar, the revenue has been increased only by 33.6% in the 6 months ended 30 September, 2018 compared to 6 months ended 30 September, 2017. Depreciation of Indian rupee against US dollar by 6.4% during the six months ended 30 September, 2018 compared to 6 months ended 30 September, 2017.

Cost of material and power generation expenses

Cost of material and power generation expenses was US$17.4 million during 6 Months ended 30 September, 2018, US$11.8 million in the 6 Months ended 30 September, 2017. Cost of material and power generation expenses was 6.3% of revenue in 6 Months ended 30 September, 2018, 5.7% of revenue in the 6 Months ended 30 September, 2017. For the period ended 30 September, 2018 increase in power generation expenses was primarily due to increase in operating capacity.

Employee benefits expense

Employee benefits expense was US$6.1 million during 6 Months ended 30 September, 2018 compared to US$6.5 million during the 6 Months ended 30, September 2017. 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$12.3 million during the 6 Months ended 30 September, 2018 compared to US$8.1 million during the 6 Months ended 30 September, 2017. 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 and provision for expected credit losses for financial assets as required by IFRS 9.

Depreciation and amortization

Depreciation and amortization was US$61.4 million during the 6 Months ended 30 September, 2018, US$47.5 million in the 6 Months ended 30, September 2017, primarily due to an increase in plant, property and equipment as a result of our increased operating capacity.

Finance income

Finance income was US$54.5 million during the 6 Months ended 30 September, 2018, US$2.6 million during the 6 Months ended 30 September, 2017. Increase in finance income in current period was primarily due to recognition of mark to mark gain on derivative financial assets.

Finance costs

Finance costs was US$114.2 million during the 6 Months ended 30 September, 2018, US$96.5 million during the 6 Months ended 30 September, 2017, which was primarily attributable to interest on borrowings which increased to US$2,705.3 million as of 30 September, 2018, from US$2,158.0 million as of 30 September, 2017 and increased operating capacity.

Loan restructuring costs

We recognized loan restructuring costs of US$17.7 million during the 6 Months ended 30 September, 2017 representing the cost of prepayment and unamortized transaction costs attributable to the refinancing of 8% Senior notes issued by Greenko Dutch B.V. and rupee loans of new Restricted Group entities.

Share of loss from equity-accounted investees

We recognized share of loss from equity-accounted investees of US$0.3 million during the 6 Months ended 30 September, 2018, US$3.5 million during 6 Months ended 30 September, 2017. The same is attributable to certain of the entities we acquired as part of SunEdison acquisition during the year ended 31 March 2017.

Profit before tax

Profit before income tax was US$119.2 million during the 6 Months ended 30 September, 2018 compared to profit before tax of US$17.9 million during the 6 Months ended 30 September, 2017.

Income tax expense

Income tax expense was US$32.0 million during the 6 Months ended 30 September, 2018, US$11.8 million during the 6 Months ended 30 September, 2017.

Our subsidiaries in India which are engaged in power generation benefited from a tax holiday from the standard Indian corporate tax during the 6 Months ended 30 September, 2018, the 6 Months ended 30 September, 2017. The tax holiday period under the Indian Income Tax Act is for 10 consecutive tax assessment years out of a total of 15 consecutive tax assessment years from the tax assessment year in which commercial operations commenced. However, these subsidiaries are still liable to pay minimum alternate tax which is calculated on the book profits of the relevant subsidiary, the rate of which was 20.59%.

Profit for the period

As a result of the above discussed, we had a profit of US$87.2 million during the 6 Months ended 30 September, 2018 compared to a profit of US$6.1 million during the 6 Months ended 30 September, 2017.

Liquidity and Capital Resources

Overview

As of 30 September, 2018, our consolidated bank deposits were US$169.6 million and our cash and cash equivalents were US$422.5 million.

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. 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.

Cash Flows

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

	6 Months ended 30 September, 2018 (US$ in millions)	6 Months ended 30 September, 2017 (US$ in millions)
Consolidated Cash Flow Statement		
Net cash from in operating activities	87.6	120.4
Net cash used in investing activities	(114.7)	(148.0)
Net cash (used) in/from financing activities	356.5	(74.4)
Cash and cash equivalents at the beginning of the period	94.7	164.2
Cash and cash equivalents at the end of the period	422.5	61.7

Net cash used in operating activities

During the 6 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$151.1 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.

During the 6 Months ended 30 September, 2017 net cash from operating activities of US$120.4 million was primarily attributable to (i) profit before tax of US$17.9 million, (ii) US$81.1 million increase in trade and other receivables and (iii) US$21.8 million increase in trade and other payables, offset in part by adjustment of US$47.4 million for depreciation and amortization, US$96.5 million for finance costs and US$17.7 million for loan restructuring costs.

Net cash used in investing activities

In the 6 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.

In the 6 Months ended 30 September, 2017, our net cash used in investing activities of US$148.0 million primarily consist of (i) US$55.7 million in purchase of property, plant and equipment and capital expenditure primarily relating to our projects under construction or development, (ii) US$150.6 million advances to equity-accounted investees and (iii) US$1.8 million in relation to the advance for purchase of equity offset in part by (i) US$56.3 million in the maturity of investment in bank deposits and (ii) interest received of US$3.6 million.

Net cash from financing activities

In the 6 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.

In the 6 Months ended 30 September, 2017, our net cash used in financing activities of US$74.4 million was primarily attributable to US$1,060.4 million of proceeds from borrowings, offset in part by US$1,000.8 million in repayment of borrowings and US$134.5 million for interest paid.

Results of Operations — Greenko Dutch B.V. Condensed Combined Interim Financial Statements

6 Months Ended 30 September, 2018 Compared to 6 Months Ended 30 September, 2017

As of 30 September, 2018, the Restricted Group accounted for 41.6% of the total installed capacity of our operational projects, consisting of 17 operational hydro power projects with a total installed capacity of 235.3 MW (61.9% of the total installed capacity of our operational hydro power projects) and 7 operational wind energy projects with a total installed capacity of 440.0 MW (38.8% of the total installed capacity of our operational wind energy projects) and 13 operational solar energy projects with a total installed capacity of 399.4 MW (40.2% of total installed capacity of our operational solar energy projects).

Revenue

Revenue for the Restricted Group decreased by 3.8% to US$109.7 million in the 6 months ended 30 September, 2018 from US$114.1 million in the 6 months ended 30 September, 2017.

	6 Months ended 30 September, 2018	**6 Months ended 30 September, 2017**
	(US$ in Millions)	
Revenue	109.7	114.1
Installed capacity at beginning of year (MW)	1,074.7	1,074.7
Installed capacity at end of period(MW)	1,074.7	1,074.7
Generation in (Gwh)	1,703.4	1,606.1

	6 Months ended 30 September, 2018	**6 Months ended 30 September, 2017**
	(US$ in Millions)	
Revenues from wind energy projects	56.9	58.6
Revenues from hydro power projects	23.8	28.9
Revenues from solar energy projects	29.0	26.6

Generation in the Restricted Group increased to 1,703.4 GWh in the 6 months ended 30 September, 2018 compared to 1,606.1 GWh in the 6 months ended 30 September, 2017.Revenue for the wind power projects of Restricted Group decreased by 2.9% to US$56.9 million compared to US$58.6 million in the previous year of the same period. Revenue for the hydro power projects of Restricted Group was decreased by 17.6% to US$23.8 million in the previous year of the same period. Revenue for the solar power projects of Restricted Group was increased by 9% to US$29.0 million compared to US$26.6 million in the previous year of the same period.

Generation has been increased by 6.1% in the 6 months ended 30 September, 2018 compared to 6 months ended 30 September, 2017 and an increase of revenue by 2.4%, in the 6 months ended 30 September, 2018 compared to 6 months ended 30 September, 2017 in terms of Indian Rupees. However, in terms of US dollar, the revenue has been decreased by 3.8% in the 6 months ended 30 September, 2018 compared to 6 months ended 30 September, 2017. Depreciation of Indian rupee against US dollar by 6.4% during the six months ended 30 September, 2018 compared to 6 months ended 30 September, 2017.

Power generation expenses

Power generation expenses for the Restricted Group in the 6 months ended 30 September, 2018 was US$8.2 million compared to US$7.8 million in the 6 months ended 30 September, 2017. Power generation expenses in the 6 months ended 30 September, 2018 was 7.5% of revenue compared to 6.9% of revenue in the 6 months ended 30 September, 2017.

Employee benefits expense

Employee benefits expense for the Restricted Group in the 6 months ended 30 September, 2018 was US$2.3 million compared to US$2.7 million in the 6 months ended 30 September, 2017. The largest component of employee benefits expense was salaries and wages.

Other operating expense

Other operating expenses for the Restricted Group in the 6 months ended 30 September, 2018 was US$6.4 million compared to US$3.8 million in the 6 months ended 30 September, 2017. Other operating expenses include office administration, office rent, travelling expenses, professional charges, communication, internet, stationery, rates and taxes and provision for expected credit losses for financial assets as required by IFRS 9.

Depreciation and amortization

Depreciation and amortization for the Restricted Group in the 6 months ended 30 September, 2018 was US$23.7 million compared to US$25.1 million in the 6 months ended 30 September, 2017.

Finance income

Finance income for the Restricted Group in the 6 months ended 30 September, 2018 was US$23.6 million compared to US$0.5 million in the 6 months ended 30 September, 2017, primarily due to recognition of mark to mark gain on derivative financial assets.

Finance costs

Finance costs for the Restricted Group in the 6 months ended 30 September, 2018 was US$28.8 million compared to US$36.6 million in the 6 months ended 30 September, 2017, which was primarily attributable to interest on our borrowings.

Loan restructuring costs

We recognized loan restructuring costs of US$17.7 million during the 6 Months ended 30 September, 2017 representing the cost of prepayment and unamortized transaction costs attributable to the refinancing of 8% Senior notes issued by Greenko Dutch B.V. and rupee loans of new Restricted Group entities.

Profit before income tax

Profit before income tax for the Restricted Group for the 6 months ended 30 September, 2018 was US$64.4 million compared to profit of US$21.0 million for the 6 months ended 30 September, 2017.

Income tax expense

Income tax expense for the Restricted Group in the 6 months ended 30 September, 2018 was US$12.6 million compared to US$6.6 million in the 6 months ended 30 September, 2017.

Profit for the period

As a result of the foregoing, the Restricted Group's profit for the 6 months ended 30 September, 2018 was US$51.8 million compared to profit of US$14.4 million for the 6 months ended 30 September, 2017.

Liquidity and Capital Resources

Overview

As of 30 September, 2018, the Restricted Group's bank deposits were US$55.0 million and our cash and cash equivalents were US$10.3 million. The Restricted Group'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's operations and capital requirements primarily through cash flows from operations. We believe that the cash generated from the Restricted Group'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'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.

Cash Flows

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

	6 Months ended 30 September, 2018	6 Months ended 30 September, 2017
	(US$ in Millions)	
Net cash generated from operating activities	57.0	53.0
Net cash from/ (used in) investing activities	(34.9)	52.8
Net cash used in financing activities	(42.9)	(108.4)
Cash and cash equivalents at the beginning of the period	32.9	22.0
Cash and cash equivalents at the end of the period	10.3	18.6

Net cash flow from operating activities

In the 6 months ended 30 September, 2018, the Restricted Group's net cash from operating activities of US$57.0 million was primarily attributable to adjustments of US$35.2 million increase in trade and other receivables, US$23.7 million for depreciation and amortization, US$28.8 million for finance costs which was partially offset by US$23.6 million for finance income.

In the 6 months ended 30 September, 2017, the Restricted Group's net cash from operating activities of US$53.0 million was primarily attributable to adjustments of US$44.1 million increase in trade and other receivables, US$25.1million for depreciation and amortization, US$36.6 million for finance costs and US$17.7 million for loan restructuring costs.

Net cash used in investing activities

In the 6 months ended 30 September, 2018, the Restricted Group's net cash used in investing activities of US$34.9 million primarily attributable to (i) investment in bank deposits of US$ 33.5 million, (ii) US$3.0 million in purchase of property, plant and equipment and capital expenditure offset in part by US$1.6 million of interest received.

In the 6 months ended 30 September, 2017, the Restricted Group's net cash from investing activities of US$52.8 million primarily attributable to maturity of investment in bank deposits, which was partially offset by US$3.3 million in purchase of property, plant and equipment and capital expenditure.

Net cash from financing activities

In the 6 months ended 30 September, 2018, the Restricted Group's net cash used in financing activities of US$42.9 million was primarily attributable to (i) interest payment of US$42.6 million, (ii) US$0.2 million for repayment of borrowings to unrestricted subsidiaries.

In the 6 months ended 30 September, 2017, the Restricted Group's net cash used in financing activities of US$108.4 million was primarily attributable to (i) interest payment of US$44.5 million (ii) US$134.4 million in repayment of borrowings to unrestricted subsidiaries (iii) US$18.6 million towards payment to unrestricted entities and (iii) US$897.6 million in repayment of borrowings, the same was partially offset by US$987.1 million of proceeds from borrowings.