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OPG Power Ventures plc
08 December 2021

8 December 2021

OPG Power Ventures plc
("OPG", the "Group" or the "Company")

Unaudited results for the six months ended 30 September 2021

OPG (AIM: OPG), the developer and operator of power generation plants in India, announces its unaudited results for the six months ended 30 September 2021 ("H1 FY22").

Highlights

· Revenue for the period increased by 54% to £55.6m (H1 FY21: £36.1m)
· H1 FY22 total generation, including deemed generation, of 1.3 billion units (H1 FY21: 0.8 billion units)
· Average tariff for group captive users in H1 FY22 was Rs5.47 per kWh (H1 FY21: Rs5.60 kWh)
· Diluted EPS (in pence) at 1.05p (H1 FY21: 2.92p)
· Net debt, including Non-Convertible Debentures ("NCDs"), reduced by 69 per cent to £5.0m in H1 FY22 (31 March 2021: £16.2m; 30 September 2020: £34.9m)

Summary financial information (including historic financial data):

	HY 30 Sep 21 £ million	HY 30 Sep 20 £ million	FY 31 Mar 21 £ million
Revenue	55.6	36.1	93.8
Adjusted EBITDA*	11.6	19.4	33.7
Profit Before Tax	7.4	12.8	21.6
Profit After Tax	4.2	11.8	14.1
Diluted Earnings Per Share ("EPS") (pence)	1.05	2.92	3.50

* Adjusted EBITDA is calculated as operating profit before depreciation, amortisation and share based compensation.

Post period end developments and highlights

· Indonesian coal prices have steadily increased and reached its peak at the end of October 2021 and since then decreased by c.50% by the beginning of December 2021;
· Due to high coal prices and freight costs generation decreased and Plant Load Factor ("PLF"), incl. deemed, in October 2021 and November 2021 was 19.43% and 21.8% respectively (H1 FY20: 46%);
· Subsequent to 30 September 2021, OPG sold a cargo of coal and realised a profit of £3.8 million (Rs.0.4 billion);

Arvind Gupta, Chairman, commented:
"OPG's power generation recovered during H1 FY21. However, the prices of international coal and freight significantly increased during the second quarter of FY22 because of an unprecedented increase in demand for coal due to Chinese related geopolitical issues, revival of economies and heavy rains in certain coal-mining areas. Post period, our power generation was reduced due to high coal prices and freight costs. This is expected to affect our operational volumes, revenue and operating profit significantly for the 12 months ending 31 March 2022. However, coal prices moderated in November 2021 which provides us with confidence that the coal markets are normalising."

Presentation
The Company will be presenting via the Investor Meet Company at **11 am** on **13 December 2021**. The presentation will give investors and analysts the opportunity to listen to management discuss the Company's interim results for the six months ended 30 September 2021.

The presentation will be hosted by Dmitri Tsvetkov (Chief Financial Officer) and there will be an opportunity for Q&A at the end of the meeting. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation.

To sign up to the Company's presentation for free via Investor Meet Company please click the following link: https://www.investormeetcompany.com/opg-power-ventures-plc/register-investor
Investors who already follow the Company on the Investor Meet Company platform will automatically be invited.

For further information, please visit www.opgpower.com or contact:

OPG Power Ventures PLC Dmitri Tsvetkov	+44 (0) 782 734 1323
Cenkos Securities (Nominated Adviser & Broker) Stephen Keys / Katy Birkin	+44 (0) 20 7397 8900
Tavistock (Financial PR) Simon Hudson / Nick Elwes	+44 (0) 20 7920 3150

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time.

Chairman's Statement

Introduction

Events of H1 FY22 have been dominated by the abnormal increase of coal prices and freight tariffs and the global impact of COVID-19. The Board remains convinced that our strategy of maintaining operational excellence and paying down borrowings has helped the Company to mitigate the impact of the commodities prices volatility and the pandemic while providing a sound platform for the long term benefit of all our stakeholders.

Operations Summary

Details	HY 30 Sep 21	HY 30 Sep 20	FY 31 Mar 21
Generation (million kWh)			
414 MW Plant generation	**1,040**	**635**	1,701
Additional "deemed" offtake at Chennai	**255**	**196**	406
Total Generation (MUe)[1]	**1,296**	**831**	**2,107**
Reported Average PLF (%)	**71.3%**	**46%**	58%
Average Tariff Realised (Rs)	**5.47**	**5.60**	**5.52**

Note: [1] MU / Mue - millions units or kWh of equivalent power

Focus on Maximizing Asset Performance and Deleveraging
Total Generation, including deemed generation, in H1 FY22 was 1.3 billion units, 56 per cent higher than in H1 FY21. Average group captive users' tariffs realised in H1 FY22 were Rs5.47 per kWh (H1 FY21: Rs5.60 per kWh; FY21: Rs5.52 per kWh).

Subsequent to 30 September 2021, the Company sold a cargo of coal and realised a profit of £3.8 million (Rs.0.4 billion).

As at 30 September 2021 net debt has been significantly reduced to £5.0m (31 March 2021: £16.2m; 30 September 2020: £34.9m) while total borrowings were £47.8 million, comprised of £19.6 million of NCDs and £19.6 million of existing term loans, with scheduled repayments spread from June 2022 to June 2024, as well as working capital loans of £8.6 million.

Over the last several months the prices of thermal coal and freight have surged primarily due to Chinese related geopolitical issues, increased imports of coal and other goods by China and other Asian countries on the back of post COVID-19 economic recovery. Whilst OPG was partially covered from increases in prices with fixed price agreements for coal and freight, the Company remains exposed to market fluctuations for the unhedged portion of coal consumption and freight. However, the Company is exploring various options including sourcing the coal from other geographies (including domestic sources) to reduce the per unit cost of electricity. The Company is expecting to cover at least a portion of its coal needs from the domestic sources under long-term fixed price arrangements. We continue to believe that the prices of coal and freight will moderate later in the short-term.

62 MW Karnataka Solar projects
As previously announced, the Board has decided to sell OPG's interest in 62MW Karnataka solar projects and these assets remain in a disposal process.

Building a sustainable future
Rapid growth in urbanisation, universal electrification, and a renewable energy transition driven by climate change, implies that India's incremental power needs will largely be met by renewable energy. Our business strategy is perfectly aligned with this, offering us an opportunity to unlock value for all our stakeholders in the years to come. OPG has been developing its ESG strategy which, among other matters, includes objectives to reduce its carbon footprint. As part of this strategy, the Company is evaluating various options to increase its renewable energy asset base, notably solar power, and to establish joint ventures to roll out various energy transition technologies, including energy efficiency improvements, green hydrogen, etc. These initiatives will ensure that OPG delivers year-on-year improvements to reach the Company's emissions reduction targets in the medium and longer-term.

The Indian Economy and Power Sector
As a consequence of COVID-19 the IMF's World Economic Update in November 2021 estimated that the Indian annual GDP growth rate will be 9.5 per cent in 2021 and 8.5 per cent in 2022.

The Reserve Bank of India, the country's central bank and banking regulator, has taken several steps to mitigate the negative impact of the lockdown on the economy through various monetary policy measures: including a reduction in repo and reverse repo rates, a moratorium on loan repayments, a 90 days freeze on non-performing assets declaration, helping MSMEs with stimulus packages and credit lines for incentivising industries. These measures coupled with the easing of lockdown restrictions in a phased manner are helping economic activity to resume.

Indian power consumption per capita was only 1,208 kWh in FY 2020. It is expected that this will catch up with developed economies with similar social and economic conditions over time.

The all-India electricity demand during the period from April 2021 to September 2021 has increased by 12.7% to 707 billion units ("BU") on a year-on-year (YoY) basis supported by a lower base, improvement in economic activity and lower than normal monsoons leading to higher demand from the agriculture segment during July and August 2021.

India's power consumption rose by 3.6% to 100.42 BU in November 2021 compared with 96.88 BU in November 2020 and 93.94 BU in November 2019.

Outlook
During the first seven months to the end of October 2021 the prices of thermal coal and freight have surged primarily due to increased imports of coal and other goods by China and other Asian countries on the back of post COVID-19 economic recovery. However, coal prices decreased by approximately 50% by the beginning of December 2021 and the Company anticipates that coal prices will normalise over time.

While generation and revenue recovered in H1 FY22, and the Company was profitable and cash generative but we expect that the Company's full year FY22 generation, we will not be operating at full capacity and revenue and net profit will reduce in comparison with FY21 due to the negative impact of high coal prices and freight costs. This will also impact the Company's net debt position as at 31 March 2022.

We believe that the medium-term and long-term fundamentals of the Group remain unchanged and post-COVID-19 recovery and normalisation of coal prices and freight costs, the Company expects to prosper as management seeks to deliver its long term, profitable and sustainable business model. We will also continue to focus on advancing our ESG agenda.

Consolidated Statement of Financial Position
As at 30 September 2021

(All amount in £, unless otherwise stated)	Notes	As at 30 Sep 2021	As at 30 Sep 2020	As at 31 March 2021
Assets				
Non-current assets				
Intangible assets	14	1,206	5,716	2,394
Property, plant and equipment	15	171,809,578	186,412,926	172,716,040
Other long-term assets	16	83,308	405,534	69,853
Restricted cash	19	9,262,942	26,567	8,194,412
		181,157,034	**186,850,743**	**180,982,699**
Current assets				
Inventories	18	13,634,187	7,866,415	12,186,644
Trade and other receivables	17	17,329,073	24,238,726	14,829,989
Other short-term assets	16	32,026,018	6,837,783	17,805,554
Current tax assets (net)		1,147,676	1,292,128	1,131,342
Restricted cash	19(b)	3,122,794	4,859,556	3,219,356
Cash and cash equivalents	19(a)	9,440,379	9,374,849	8,920,952
Assets held for sale	7	16,638,171	14,720,769	16,425,368
		93,338,298	**69,190,226**	**74,519,205**
Total assets		**274,495,332**	**256,040,969**	**255,501,904**
Equity and liabilities				
Equity				
Share capital	20	58,909	58,909	58,909
Share premium	20	131,451,482	131,451,482	131,451,482
Other components of equity		(11,055,720)	(3,746,172)	(12,735,470)
Retained earnings		46,123,296	39,587,495	41,910,280
Equity attributable to owners of the Company		**166,577,967**	**167,351,714**	**160,685,201**
Non-controlling interests		876,369	881,530	881,869
Total equity		**167,454,336**	**168,233,244**	**161,567,070**
Liabilities				
Non-current liabilities				
Borrowings	22	17,938,299	21,740,994	22,260,206
Non-Convertible Debentures	22	20,043,153	21,110,407	19,840,089
Trade and other payables		613,923	176,936	607,702
Deferred tax liabilities (net)	13	16,369,637	7,485,509	12,994,371
		54,965,012	**50,513,846**	**55,702,368**
Current liabilities				
Borrowings	22	9,830,045	1,430,290	4,510,358
Trade and other payables		37,103,471	35,358,949	32,495,799
Other liabilities	6(a)	5,142,468	504,640	1,226,309
		52,075,984	**37,293,879**	**38,232,466**
Total liabilities		**107,040,996**	**87,807,725**	**93,934,834**
Total equity and liabilities		**274,495,332**	**256,040,969**	**255,501,904**

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

The financial statements were authorised for issue by the board of directors on 7 December 2021 and were signed on its behalf by Arvind Gupta, Chairman and Dmitri Tsvetkov, Chief Financial Officer**.**

Consolidated Statement of Comprehensive Income
For the six months period ended 30 September 2021

(All amount in £, unless otherwise stated)	Notes	Six months Period ended 30 Sep 2021	Six months Period ended 30 Sep 2020	Year ended 31 March 2021
Revenue	8	55,603,742	36,089,887	93,823,933
Cost of revenue	9	(41,068,565)	(22,134,375)	(56,893,065)
Gross profit		**14,535,177**	**13,955,512**	**36,930,868**
Other Operating income	10(a)	-	9,628,703	9,420,712
Other income	10(b)	1,240,131	505,562	1,921,546
Distribution cost		(2,037,380)	(2,947,582)	(4,791,056)
General and administrative expenses		(2,247,971)	(2,000,180)	(7,256,153)
Expected credit loss on trade receivables		-	-	(3,025,055)
Depreciation and amortisation		(2,800,143)	(2,983,195)	(5,705,538)
Operating profit		**8,689,814**	**16,158,820**	**27,495,324**
Finance costs	11	(2,675,395)	(3,681,194)	(6,803,137)
Finance income	12	1,367,175	284,328	868,439
Profit before tax		**7,381,594**	**12,761,954**	**21,560,626**
Tax expense	13	(3,390,062)	(1,865,120)	(8,447,699)
Profit for the year from continued operations		**3,991,532**	**10,896,834**	**13,112,927**
Gain/(Loss) from discontinued operations, including Non-Controlling Interest	7	212,803	881,687	999,398

Profit for the year	**4,204,335**	**11,778,521**	**14,112,325**
Profit for the year attributable to:			
Owners of the Company	4,213,016	11,769,020	14,091,806
Non - controlling interests	(8,682)	9,501	20,518
	4,204,334	**11,778,521**	**14,112,324**
Earnings per share from continued operations			
Basic earnings per share (in pence)	1.00	2.72	3.27
Diluted earnings per share (in pence)	0.99	2.70	3.25
Earnings per share from discontinued operations			
Basic earnings per share (in pence)	0.05	0.27	0.30
Diluted earnings per share (in pence)	0.05	0.27	0.30
Earnings per share			
-Basic (in pence)	1.05	2.94	3.52
-Diluted (in pence)	1.05	2.92	3.50
Other comprehensive income / (loss)			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations	1,582,361	(2,746,435)	(12,860,261)
Items that will be not reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations, relating to non-controlling interests	3,182	(2,644)	(13,322)
Total other comprehensive income / (loss)	**1,585,544**	**(2,749,079)**	**(12,873,583)**
Total comprehensive income	**5,789,878**	**9,029,442**	**1,238,741**
Total comprehensive income / (loss) attributable to:			
Owners of the Company	5,795,377	9,022,585	1,231,546
Non-controlling interest	(5,500)	6,857	7,196
	5,789,878	**9,029,442**	**1,238,741**

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

Consolidated Statement of Changes in Equity
For the six months period ended 30 September 2021

(All amount in £, unless otherwise stated)	Issued capital (No. of shares)	Ordinary shares	Share premium	Other reserves	Foreign currency translation reserve	Retained earnings	Total attributable to owners of parent	Non-controlling interests	Total equity
At 1 April 2020	**400,733,511**	**58,909**	**131,451,482**	**7,486,127**	**(8,809,114)**	**27,818,474**	**158,005,878**	**497,955**	**158,503,832**
Employee Share based payment LTIP (Note 21)	-	-	-	535,247	-	-	535,247	-	535,247
Transaction with owners	**-**	**-**	**-**	**535,247**	**-**	**-**	**535,247**	**-**	**535,247**
Profit for the year	-	-	-	-	-	14,091,806	14,091,806	20,518	14,112,324
Deconsolidation	-	-	-	-	912,531	-	912,531	376,718	1,289,249
Other comprehensive income	-	-	-	-	(12,860,261)	-	(12,860,261)	(13,322)	(12,873,583)
Total comprehensive income	**-**	**-**	**-**	**-**	**(11,947,730)**	**14,091,806**	**2,144,076**	**383,914**	**2,527,990**
At 31 March 2021	**400,733,511**	**58,909**	**131,451,482**	**8,021,374**	**(20,756,844)**	**41,910,280**	**160,685,201**	**881,869**	**161,567,070**
At 1 April 2021	**400,733,511**	**58,909**	**131,451,482**	**8,021,374**	**(20,756,844)**	**41,910,280**	**160,685,201**	**881,869**	**161,567,070**
Employee Share based payment LTIP (Note 21)	-	-	-	97,389	-	-	97,389	-	97,389
Transaction with owners	**-**	**-**	**-**	**97,389**	**-**	**-**	**97,389**	**-**	**97,389**
Profit for the year	-	-	-	-	-	4,213,016	4,213,016	(8,682)	4,204,334
Other comprehensive income	-	-	-	-	1,582,361	-	1,582,361	3,182	1,585,543
Total comprehensive income	**-**	**-**	**-**	**-**	**1,582,361**	**4,213,016**	**5,795,377**	**(5,500)**	**5,789,877**
At 30 Sep 2021	**400,733,511**	**58,909**	**131,451,482**	**8,118,763**	**(19,174,483)**	**46,123,296**	**166,577,967**	**876,369**	**167,454,336**

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

Consolidated statement of cash flows
For the six months period ended 30 September 2021

(All amount in £, unless otherwise stated)	Notes	Six months Period ended 30 Sep 2021	Six months Period ended 30 Sep 2020	Year ended 31 March 2021
Cash flows from operating activities				
Profit before income tax including discontinued operations		**7,594,397**	**13,643,638**	**22,560,024**
Adjustments for:				
(Profit)/Loss from discontinued operations, net	7	(212,803)	(881,687)	(999,398)
Unrealised foreign exchange loss	9(c)	35,633	231,416	46,931
Financial costs	11	2,638,111	3,449,773	6,756,206
Financial income	12	(1,367,175)	(284,328)	(864,156)
Share based compensation costs	21	97,389	267,623	535,247
Depreciation and amortisation		2,800,143	2,983,195	5,705,538
Expected credit loss on Trade receivables		-	-	3,025,055
Changes in working capital				
Trade and other receivables		(2,297,761)	2,190,563	7,404,759
Inventories		(1,294,895)	3,414,812	(1,654,539)
Other assets		(2,590,907)	1,750,744	4,976,235
Trade and other payables		3,507,337	(6,025,769)	(7,106,516)
Other liabilities		3,611,458	(62,560)	490,711
Cash generated from continuing operations		**12,520,927**	**20,677,420**	**40,876,097**
Taxes paid		(673,053)	(730,037)	(709,277)
Cash provided by operating activities of continuing operations		11,847,874	19,947,383	40,166,820
Net cash provided by operating activities		**11,847,874**	**19,947,383**	**40,166,820**
Cash flows from investing activities				
Purchase of property, plant and equipment (including capital advances)		(181,177)	(320,380)	(506,222)
Interest received		1,367,175	284,329	864,156
Movement in restricted cash		(837,100)	2,508,449	(4,655,096)
Purchase of investments		(10,490,070)	(754,439)	(25,250,994)
Cash (used in) / from investing activities of continuing operations		(10,141,172)	1,717,959	(29,548,156)
Net cash (used in) / from investing activities		**(10,141,172)**	**1,717,959**	**(29,548,156)**
Cash flows from financing activities				
Proceeds from borrowings (net of costs)		1,799,014	21,133,852	21,981,043
Repayment of borrowings		(1,095,275)	(33,339,333)	(27,938,844)
Finance costs paid		(1,992,151)	(3,449,773)	(5,812,498)
Cash used in financing activities of continuing operations		(1,288,412)	(15,655,254)	(11,770,299)
Net cash used in financing activities		**(1,288,412)**	**(15,655,254)**	**(11,770,299)**
Net (decrease) / Increase in cash and cash equivalents from continuing operations		418,290	6,010,088	(1,151,635)
Net (decrease) / increase in cash and cash equivalents		**418,290**	**6,010,088**	**(1,151,635)**
Cash and cash equivalents at the beginning of the year		8,920,952	3,438,830	3,438,830
Cash and cash equivalents on deconsolidation		-	-	(28,560)
Exchange differences on cash and cash equivalents		101,137	(74,069)	6,662,317
Cash and cash equivalents at the end of the year		**9,440,379**	**9,374,849**	**8,920,952**

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

Notes

(All amount in £, unless otherwise stated)

1. Nature of operations

OPG Power Ventures Plc ('the Company' or 'OPGPV'), and its subsidiaries (collectively referred to as 'the Group') are primarily engaged in the development, owning, operation and maintenance of private sector power projects in India. The electricity generated from the Group's plants is sold principally to public sector undertakings and heavy industrial companies in India or in the short term market. The business objective of the Group is to focus on the power generation business within India and thereby provide reliable, cost effective power to the industrial consumers and other users under the 'open access' provisions mandated by the Government of India.

2. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) - as issued by the International Accounting Standards Board and the provisions of the Isle of Man, Companies Act 2006 applicable to companies reporting under IFRS.

3. General information

OPG Power Ventures Plc, a limited liability corporation, is the Group's ultimate parent Company and is incorporated and domiciled in the Isle of Man. The address of the Company's registered Office, which is also the principal place of business, is 55 Athol street, Douglas, Isle of Man IM1 1LA. The Company's equity shares are listed on the AIM Market of the London Stock Exchange ("AIM").

The Consolidated Financial statements for the period ended 30 September 2021 were approved and authorised for issue by the Board of Directors on 7 December 2021.

4. Recent accounting pronouncements

a) Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Group. Information on those expected to be relevant to the Group's financial statements is provided below.

Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments not either adopted or listed below are not expected to have a material impact on the Group's financial statements.

b) Changes in accounting Standards

Amendments to IFRS 16, "Covid-19-Related Rent Concessions-Amendment to IFRS 16,"

In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of Covid-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a Covid-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the Covid-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of Covid-19 and only if all of the prescribed conditions are met. The Group has not received any rent concessions hence so there is no impact on the presentation of these Financial Statements.

c) Standards and Interpretations Not Yet Applicable

The IASB and the IFRS IC have issued the following additional standards and interpretations. Group does not apply these rules because their application is not yet mandatory. Currently, however, these adjustments are not expected to have a material impact on the consolidated financial statements of the Group:

Mandatorily effective for periods beginning on or after 1 January 2022

i) IAS 16 Property, Plant and Equipment (Amendment - Proceeds before Intended Use)
ii) AS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment - Onerous Contracts - Cost of Fulfilling a Contract)
iii) IFRS 3 Business Combinations (Amendment - Reference to the Conceptual Framework)

Mandatorily effective for periods beginning on or after 1 January 2023

i) IFRS 17, "Insurance Contracts," published in May 2017, expected first-time application in next fiscal year.
ii) IAS 1 Presentation of Financial Statements and IAS8 Accounting Policies, Changes in Accounting Estimates and Errors(Amendment - Classification of Liabilities as Current or Non-current)
iii) IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment - Disclosure of Accounting Policies)
iv) IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)
v) IAS 12 Income Taxes (Amendment - Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

5. Summary of significant accounting policies

a) Basis of preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets and liabilities at fair value through profit or loss and financial assets measured at FVPL.

The consolidated financial statements are presented in accordance with IAS 1 Presentation of Financial Statements and have been presented in Great Britain Pounds ('£'), the functional and presentation currency of the Company.

During FY2019, the Company obtained a right to exercise an option to buy additional 30% equity interest in solar companies. Effective from FY2021 this right was re-assigned to a third party along with the related obligations and the results of the operations of solar companies Aavanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Aavanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited are not consolidated in Group's consolidated financial statements due to loss of control. The Group continues owning a 31% equity interest in the solar companies. As it was previously reported, after evaluation of all options, the Company decided that the most efficient way to maximise shareholders' value from solar operations is to dispose solar companies and it initiated process of disposition of solar companies which met all conditions of IFRS 5 for classification of solar business as Assets held for sale at 30 September 2021 (Note 7).

Going concern

As at 30 September 2021 the Group had £9.4m in cash and net current assets of £41.3m. The directors and management have prepared a cash flow forecast to December 2022, 12 months from the date this report has been approved.

The Group experiences sensitivity in its cash flow forecasts due to the exposure to potential increase in USD denominated coal prices and a decrease in the value of the Indian Rupee. The Directors and management are confident that the Group will be trading in line with its forecast and that any exposure to a fluctuation in coal prices or the exchange rate INR/USD has been taken into consideration and therefore prepared the financial statements on a going concern basis.

For the year ended 31 March 2021, the Group had considered the probable impact arising due to Covid-19 and included a specific accounting judgement and estimation uncertainty in relation to the impact of coronavirus on its operations and going concern assessments. During the six months ended 30 September 2021, the economy has continued to recover from the effects of the pandemic, and accordingly the specific accounting judgement and estimation uncertainty in relation to the impact of coronavirus is significantly reduced.

b) Basis of consolidation

The consolidated financial statements include the assets, liabilities and results of the operation of the Company and all of its subsidiaries as of 30 September 2021. All subsidiaries have a reporting date of 31 March.

A subsidiary is defined as an entity controlled by the Company. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which effective control is acquired by the Group, and continue to be consolidated until the date that such control ceases.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Non-controlling interest represents the portion of profit or loss and net assets that is not held by the Group and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity. Acquisitions of additional stake or dilution of stake from/ to non-controlling interests/ other venturer in the Group where there is no loss of control are accounted for as an equity transaction, whereby, the difference between the consideration paid to or received from and the book value of the share of the net assets is recognised in 'other reserve' within statement of changes in equity.

c) Investments in associates and joint ventures
Investments in associates and joint ventures are accounted for using the equity method. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

d) List of subsidiaries, joint ventures, and associates
Details of the Group's subsidiaries and joint ventures, which are consolidated into the Group's consolidated financial statements, are as follows:
i) Subsidiaries

			% Voting Right			% Economic interest		
	Immediate parent	Country of incorporation	Sept. 2021	Sept. 2020	March 2021	Sept. 2021	Sept. 2020	March 2021
Caromia Holdings limited ('CHL')	OPGPV	Cyprus	100	100	100	100	100	100
Gita Power and Infrastructure Private Limited, ('GPIPL')	CHL	India	100	100	100	100	100	100
OPG Power Generation Private Limited ('OPGPG')	GPIPL	India	73.77	73.16	71.25	71.25	99.91	99.91
Samriddhi Solar Power LLP(*)	OPGPG	India	-	73.16	-	-	99.91	-
Samriddhi Surya Vidyut Private Limited	OPGPG	India	71.25	73.16	71.25	71.25	99.91	99.91
OPG Surya Vidyut LLP(*)	OPGPG	India	-	73.16	-	-	99.91	-
Powergen Resources Pte Ltd	OPGPV	Singapore	98.69	98.56	98.56	100	100	100

(*)During FY21 withdrawn as a partner from LLP

ii) Associates

Avanti Solar Energy Private Limited	OPGPG	India	31	31	31	31	31	31
Mayfair Renewable Energy (I) Private Limited)	OPGPG	India	31	31	31	31	31	31
Avanti Renewable Energy Private Limited	OPGPG	India	31	31	31	31	31	31
Brics Renewable Energy Private Limited	OPGPG	India	31	31	31	31	31	31

e) Foreign currency translation
The functional currency of the Company is the Great Britain Pound Sterling (£). The Cyprus entity is an extension of the parent and pass through investment entity. Accordingly the functional currency of the subsidiary in Cyprus is the Great Britain Pound Sterling. The functional currency of the Company's subsidiaries operating in India, determined based on evaluation of the individual and collective economic factors is Indian Rupees ('₹' or 'INR'). The presentation currency of the Group is the Great Britain Pound (£) as submitted to the AIM counter of the London Stock Exchange where the shares of the Company are listed.

At the reporting date the assets and liabilities of the Group are translated into the presentation currency at the rate of exchange prevailing at the reporting date and the income and expense for each statement of profit or loss are translated at the average exchange rate (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expense are translated at the rate on the date of the transactions). Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity.

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of financial position date are translated into functional currency at the foreign exchange rate ruling at that date. Aggregate gains and losses resulting from foreign currencies are included in finance income or costs within the profit or loss.

INR exchange rates used to translate the INR financial information into the presentation currency of Great Britain Pound (£) are the closing rate as at 30 September 2021: 99.78 (2021: 100.81, 2020: 94.74) and the average rate for the period ended 30 September 2021: 101.94 (2021 96.72, 2020 : 87.97).

f) Revenue recognition
In accordance with IFRS 15 - Revenue from contracts with customers, the group recognises revenue to the extent that it reflects the expected consideration for goods or services provided to the customer under contract, over the performance obligations they are being provided. For each separable performance obligation identified, the Group determines whether it is satisfied at a "point in time" or "over time" based upon an evaluation of the receipt and consumption of benefits, control of assets and enforceable payment rights associated with that obligation. If the criteria required for "over time" recognition are not met, the performance obligation is deemed to be satisfied at a "point in time". Revenue principally arises as a result of the Group's activities in electricity generation and distribution. Supply of power and billing satisfies performance obligations. The supply of power is invoiced in arrears on a monthly basis and generally the payment terms within the Group are 10 to 45 days.

Revenue
Revenue from providing electricity to captive power shareholders and sales to other customers is recognised on the basis of biling cycle under the contractual arrangement with the captive power shareholders & customers respectively and reflects the value of units of power supplied and the applicable tariff after deductions or discounts. Revenue is earned at a point in time of joint meter reading by both buyer and seller for each billing month.

Interest and dividend
Revenue from interest is recognised as interest accrued (using the effective interest rate method). Revenue from dividends is recognised when the right to receive the payment is established.

g) Operating expenses
Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or as incurred.

h) Taxes
Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, taxation authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.
Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Group has a right and the intention to set off current tax assets and liabilities from the same taxation authority. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

i) Financial assets
IFRS 9 Financial Instruments contains regulations on measurement categories for financial assets and financial liabilities. It also contains regulations on impairments, which are based on expected losses.

"Financial assets are classified as financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (FVOCI) and financial assets measured at fair value through profit and loss (FVPL) based on the business model and the characteristics of the cash flows. If a financial asset is held for the purpose of collecting contractual cash flows and the cash flows of the financial asset represent exclusively interest and principal payments, then the financial asset is measured at amortized cost. A financial asset is measured at fair value through other comprehensive income (FVOCI) if it is used both to collect contractual cash flows and for sales purposes and the cash flows of the financial asset consist exclusively of interest and principal payments. Unrealized gains and losses from financial assets measured at fair value through other comprehensive income (FVOCI), net of related deferred taxes, are reported as a component of equity (other comprehensive income) until realized. Realized gains and losses are determined by analysing each transaction individually. Debt instruments that do not exclusively serve to collect contractual cash flows or to both generate contractual cash flows and sales revenue, or whose cash flows do not exclusively consist of interest and principal payments are measured at fair value through profit and loss (FVPL). For equity instruments that are held for trading purposes the group has uniformly exercised the option of recognizing changes in fair value through profit or loss (FVPL). Refer to note 29""Summary of financial assets and liabilities by category and their fair values"".

Impairments of financial assets are both recognized for losses already incurred and for expected future credit defaults. The amount of the impairment loss calculated in the determination of expected credit losses is recognized on the income statement. Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

j) Financial liabilities
The Group's financial liabilities include borrowings and trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within 'finance costs' or 'finance income'.

k) Fair value of financial instruments
The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market prices at the close of business on the Statement of financial position date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

l) Property, plant and equipment
Property, plant and equipment are stated at historical cost, less accumulated depreciation and any impairment in value. Historical cost includes expenditure that is directly attributable to property plant & equipment such as employee cost, borrowing costs for long-term construction projects etc, if recognition criteria are met. Likewise, when a major inspection is performed, its costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in the profit or loss as incurred.

Land is not depreciated. Depreciation on all other assets is computed on straight-line basis over the useful life of the asset based on management's estimate as follows:

Nature of asset	Useful life (years)
Buildings	40
Power stations	40
Other plant and equipment	3-10
Vehicles	5-11

Assets in the course of construction are stated at cost and not depreciated until commissioned.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

The assets residual values, useful lives and methods of depreciation of the assets are reviewed at each financial year end and adjusted prospectively if appropriate.

m) Intangible assets

Acquired software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and install the specific software.

Subsequent measurement

All intangible assets, including software are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives, as these assets are considered finite. Residual values and useful lives are reviewed at each reporting date. The useful life of software is estimated as 4 years.

n) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

• Leases of low value assets; and
• Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate. On initial recognition, the carrying value of the lease liability also includes:

• amounts expected to be payable under any residual value guarantee;
• the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
• any penalties payable for terminating the lease, if the term of the lease has been estimated in the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

• lease payments made at or before commencement of the lease;
• initial direct costs incurred; and
• the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remain in economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets. Interest income earned on the temporary investment of specific borrowing pending its expenditure on qualifying assets is deducted from the costs of these assets.

Gains and losses on extinguishment of liability, including those arising from substantial modification from terms of loans are not treated as borrowing costs and are charged to profit or loss.

All other borrowing costs including transaction costs are recognized in the statement of profit or loss in the period in which they are incurred, the amount being determined using the effective interest rate method.

p) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

q) Non-current Assets Held for Sale and Discontinued Operations

Non-current assets and any corresponding liabilities held for sale and any directly attributable liabilities are recognized separately from other assets and liabilities in the balance sheet in the line items "Assets held for sale" and "Liabilities associated with assets held for sale" if they can be disposed of in their current condition and if there is sufficient probability of their disposal actually taking place. Discontinued operations are components of an entity that are either held for sale or have already been sold and can be clearly distinguished from other corporate operations, both operationally and for financial reporting purposes. Additionally, the component classified as a discontinued operation must represent a major business line or a specific geographic business segment of the Group. Non-current assets that are held for sale either individually or collectively as part of a disposal group, or that belong to a discontinued operation, are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any remaining costs to sell. If this value is less than the carrying amount, an impairment loss is recognized. The income and losses resulting from the measurement of components held for sale as well as the gains and losses arising from the disposal of discontinued operations, are reported separately on the face of the income statement under income/loss from discontinued operations, net, as is the income from the ordinary operating activities of these divisions. Prior-year income statement figures are adjusted accordingly. However, there is no reclassification of prior-year balance sheet line items attributable to discontinued operations.

r) Cash and cash equivalents
Cash and cash equivalents in the Statement of financial position includes cash in hand and at bank and short-term deposits with original maturity period of 3 months or less.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash in hand and at bank and short-term deposits. Restricted cash represents deposits which are subject to a fixed charge and held as security for specific borrowings and are not included in cash and cash equivalents.

s) Inventories
Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted based on weighted average price. Net realisable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

t) Earnings per share
The earnings considered in ascertaining the Group's earnings per share (EPS) comprise the net profit for the year attributable to ordinary equity holders of the parent. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.

u) Other provisions and contingent liabilities
Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognised on the acquisition date when there is a present obligation that arises from past events and the fair value can be measured reliably, even if the outflow of economic resources is not probable. They are subsequently measured at the higher amount of a comparable provision as described above and the amount recognised on the acquisition date, less any amortisation.

v) Share based payments
The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to 'Other Reserves'.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

w) Employee benefits
Gratuity
In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Liabilities with regard to the gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Statement of financial position date using the projected unit credit method.

The Group recognises the net obligation of a defined benefit plan in its statement of financial position as an asset or liability, respectively in accordance with IAS 19, Employee benefits. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss in the statement of comprehensive income in the period in which they arise.

x) Business combinations
Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established using pooling of interest method. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity. Any excess consideration paid is directly recognised in equity.

y) Segment reporting
The Group has adopted the "management approach" in identifying the operating segments as outlined in IFRS 8 - Operating segments. Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors being the chief operating decision maker evaluate the Group's performance and allocates resources based on an analysis of various performance indicators at operating segment level. During the year 2021 the Group has deconsolidated solar entities and are classified as associates (note 7). Accordingly, there is only only one operating segment thermal power. The solar power business is classified as held for sale. There are no geographical segments as all revenues arise from India. All the non current assets are located in India.

6. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

The principal accounting policies adopted by the Group in the consolidated financial statements are as set out above. The application of a number of these policies requires the Group to use a variety of estimation techniques and apply judgment to best reflect the substance of underlying transactions.

The Group has determined that a number of its accounting policies can be considered significant, in terms of the management judgment that has been required to determine the various assumptions underpinning their application in the consolidated financial statements presented which, under different conditions, could lead to material differences in these statements. The actual results may differ from the judgments, estimates and assumptions made by the management and will seldom equal the estimated results.

a) Judgements

The following are significant management judgments in applying the accounting policies of the Group that have the most significant effect on the financial statements.

Assessing control of subsidiaries, associates, joint ventures

During FY21, the Group has reclassified the 31% equity interest in the solar entities from Subsidiaries to Associates due to loss of control. The interest in the solar entities (Avanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Avanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited) are disclosed as assets held for sale.

Contractual payments under power supply agreement

The Group has received £4,181,162 during the period on account of change in law as per terms of power supply agreement. The amount received is grouped under other current liabilities relates to period 2014-2020 and shall be recognised as revenue on approval from regulatory authority.

Non-current assets held for sale and discontinued operations

"The Group exercises judgement in whether assets are held for sale. After evaluation of all options, the Company decided that the most efficient way to maximise shareholders' value from solar operations is to dispose of the solar companies and it initiated the process of disposition of the solar companies. Under IFRS 5, such a transaction meets the 'Asset held for sale' when the transaction is considered sufficiently probable and other relevant criteria are met. Management consider that all the conditions under IFRS 5 for classification of the solar business as held for sale have been met as at 30 September 2021 and expects the interest in the solar companies to be sold within the next 12 months.

Recoverability of deferred tax assets

The recognition of deferred tax assets requires assessment of future taxable profit (see note 5(h)).

b) Estimates and uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of financial position date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i) Estimation of fair value of financial assets and financial liabilities: While preparing the financial statements the Group makes estimates and assumptions that affect the reported amount of financial assets and financial liabilities.

Trade Receivables

The group ascertains the expected credit losses (ECL) for all receivables and adequate impairment provision are made. At the end of each reporting period a review of the allowance for impairment of trade receivables is performed. Trade receivables do not contain a significant financing element, and therefore expected credit losses are measured using the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised on initial recognition. A provision matrix is utilised to estimate the lifetime expected credit losses based on the age, status and risk of each class of receivable, which is periodically updated to include changes to both forward-looking and historical inputs.

Financial assets measured at FVPL

Management applies valuation techniques to determine the fair value of financial assets measured at FVPL where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the asset. Where such data is not observable, management uses its best estimate. Estimated fair values of the asset may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

ii) Impairment tests: In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate for discounting them. Estimation uncertainty relates to assumptions about future operating results including fuel prices, foreign currency exchange rates etc. and the determination of a suitable discount rate;

iii) Useful life of depreciable assets: Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

7. Profit/(Loss) from discontinued operations

Non-current assets held for sale and Profit/(Loss) from discontinued operations consists of:

	Assets Held for Sale			**Liabilities classified as held for sale**			**Profit from discontinued operations**		
	At 30 Sept. 2021	**At 30 Sept. 2020**	**At 31 March 2021**	**At 30 Sept. 2021**	**At 30 Sept. 2020**	**At 31 March 2021**	**At 30 Sept. 2021**	**At 30 Sept. 2020**	**At 31 March 2021**
i Interest in Solar entities	16,638,171	14,720,769	16,425,368	-	-	-	-	-	-
ii Share of Profit from Solar entities	-		-	-	-	-	-	-	117,711
iii Gain on deconsolidation of Solar entities	-		-	-	-	-	212,803	881,687	881,687
Total	**16,638,171**	**14,720,769**	**16,425,368**	**-**	**-**	**-**	**212,803**	**881,687**	**999,398**

Assets held for sale and discontinued operations of solar entities

During FY19, the results of the operations of solar entities Avanti Solar Energy Private Limited, Mayfair Renewable Energy Private Limited, Avanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited were classified as Assets held for sale. After evaluation of all the options, the Company decided that the most efficient way to maximise shareholders' value from the solar operations is to dispose of the solar entities and the process of disposition of the solar entities was initiated. The process of sale could not be implemented during FY21 and six months ended 30 September 2021 due to pandemic Covid-19 and expectation of comparatively better valuation for sale. However the Management expects the interest in the solar entities to be sold within the next 12 months and continues to locate a buyer.

During FY19, the Company obtained a right to exercise an option to buy additional 30% equity interest in solar companies. Effective from FY2021 this right was re-assigned to a third party along with the related obligations and the results of the operations of solar companies Aavanti Solar Energy Private Limited, Mayfair Renewable Energy (I) Private Limited, Aavanti Renewable Energy Private Limited and Brics Renewable Energy Private Limited are not consolidated in Group's consolidated financial statements due to loss of control. The Group continues owning a 31% equity interest in these solar associates.

Non-current Assets held-for-sale and discontinued operations

(a) Assets of disposal group classified as held-for-sale	**As at 30 Sept. 2021**	**As at 30 Sept. 2020**	**As at 31 March 2021**
Investment in associates classified as held for sale	16,638,171	14,720,769	16,425,368
Total	**16,638,171**	**14,720,769**	**16,425,368**
(b) Liabilities of disposal group classified as held-for-sale	**As at 30 Sept. 2021**	**As at 30 Sept. 2020**	**As at 31 March 2021**
Liabilities of disposal group classified as held-for-sale	-	-	-
Total	**-**	**-**	**-**
(c) Analysis of the results of discontinued operations is as follows:	**Six months ended 30 Sept. 2021**	**Six months ended 30 Sept. 2020**	**FY21**
Share of Profit from Solar entities	212,803	-	117,711
Gain on deconsolidation of Solar entities	-	881,687	881,687
Profit / (Loss) from Solar operations	**212,803**	**881,687**	**999,398**

8. Segment reporting

The Group has adopted the "management approach" in identifying the operating segments as outlined in IFRS 8 -Operating segments. Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors being the chief operating decision maker evaluate the Group's performance and allocates resources based on an analysis of various performance indicators at operating segment level. During the FY21 the Group has deconsolidated solar entities and are classified as associates (note 7). Accordingly, during FY 21 there is only one operating segment thermal power. The solar power business is classified as held for sale. There are no geographical segments as all revenues arise from India. All the non current assets are located in India.

Revenue on account of sale of power to one customer exceeding 10% of total sales revenue amounts to £5,883,758 (2021: £28,720,575).

Segmental information disclosure

	Continuing operations			**Discontinued operations**		
	Thermal			**Solar**		
Segment Revenue	**Six months ended 30 Sept. 2021**	**Six months ended 30 Sept. 2020**	**FY 21**	**Six months ended 30 Sept. 2021**	**Six months ended 30 Sept. 2020**	**FY 21**
Sales	55,603,742	36,089,887	93,823,933	-	-	-
Total	**55,603,742**	**36,089,887**	**93,823,933**	**-**	**-**	**-**
Other Operating income	-	9,628,703	9,420,712		-	-
Depreciation, impairment	(2,800,143)	(2,983,195)	(5,705,538)	-	-	-
				-	-	-
Profit from operation	8,689,814	16,158,820	27,495,324	-	-	-
Finance Income	1,367,175	284,328	868,439	-	-	-
Finance Cost	(2,675,395)	(3,681,194)	(6,803,137)	-	-	-
Tax expenses	(3,390,062)	(1,865,120)	(8,447,699)	-	-	-
Gain on deconsolidation of Solar entities	-	-	-	-	881,687	881,687
Share of Profit in Solar entities	-	-	-	212,803	-	117,711
Profit for the year / Period	**3,991,532**	**10,896,834**	**13,112,927**	**212,803**	**881,687**	**999,398**
Assets	257,857,161	241,320,200	239,076,536	16,425,368	16,638,171	16,425,368
Liabilities	107,040,996	87,807,725	93,934,834	-	-	-

9. Costs of inventories and employee benefit expenses included in the consolidated statements of comprehensive income

Cost of fuel

	Six months ended 30 Sept. 2021	**Six months ended 30 Sept. 2020**	**FY21**
Included in cost of revenue:			
Cost of fuel consumed	38,721,460	20,965,590	54,095,390
Other direct costs	2,347,105	1,168,785	2,797,675
Total	**41,068,565**	**22,134,375**	**56,893,065**
			-

Employee benefit expenses forming part of general and administrative expenses are as follows:

	Six months	**Six months**

	ended 30 Sept. 2021	ended 30 Sept. 2020	FY21
Salaries and wages	1,037,241	960,822	2,139,303
Employee benefit costs	96,035	70,241	228,112
Long Tern Incentive Plan	97,389	267,624	535,247
Total	**1,230,665**	**1,298,686**	**2,902,662**

Foreign exchange movements (realised and unrealised) included in the Finance costs is as follows:

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Foreign exchange realised loss / (gain)	202,607	(68,866)	213,524
Foreign exchange unrealised- loss / (gain)	44,532	231,416	46,931
Total	**247,139**	**162,550**	**260,455**

10. Other operating income and expenses

Other operating income

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Contractual claims payments	-	9,628,703	9,420,712
Total	**-**	**9,628,703**	**9,420,712**

Other operating income represents contractual claims payments from company's customers under the power purchase agreements which were accumulated over several periods.

Other income

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Sale of coal	749,197	208,437	616,708
Sale of fly ash	41,392	7,697	16,271
Power trading commission and other services	120,242	4,367	147,166
Others	329,300	285,062	1,141,401
Total	**1,240,131**	**505,562**	**1,921,546**

11. Finance costs

Finance costs are comprised of:

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Interest expenses on borrowings	2,128,085	3,495,422	5,848,895
Net foreign exchange loss (Note 9)	126,565	162,550	260,455
Other finance costs	420,745	23,222	693,787
Total	**2,675,395**	**3,681,194**	**6,803,137**

Other finance costs include charges and cost related to LC's for import of coal and other charges levied by bank on transactions

12. Finance income

Finance income is comprised of:

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Interest income on bank deposits and advances	302,883	284,328	401,194
Gain on disposal / fair value of financial instruments*	1,064,293	-	467,245
Total	**1,367,176**	**284,328**	**868,439**

*Financial instruments represent the mutual funds held during the period.

13. Tax expenses

	Six months ended 30 Sept. 2021	Six months ended 30 Sept. 2020	FY21
Current tax	216,220	155	412,513
Deferred tax	3,173,842	1,864,965	8,035,186
Tax reported in the statement of comprehensive income	**3,390,062**	**1,865,120**	**8,447,699**

The Company is subject to Isle of Man corporate tax at the standard rate of zero percent. As such, the Company's tax liability is zero.

Additionally, Isle of Man does not levy tax on capital gains. However, considering that the group's operations are primarily based in India, the effective tax rate of the Group has been computed based on the current tax rates prevailing in India. Further, a substantial portion of the profits of the Group's India operations are exempt from Indian income taxes being profits attributable to generation of power in India. Under the tax holiday the taxpayer can utilize an exemption from income taxes for a period of any ten consecutive years out of a total of fifteen consecutive years from the date of commencement of the operations. However, the entities in India are still liable for Minimum Alternate Tax (MAT) which is calculated on the book profits of the respective entities currently at a rate of 17.47% (31 March 2021: 17.47%).

14. Intangible assets

	Acquired software licences		
Cost	**30 Sept. 2021**	**30 Sept. 2020**	**31 March 2021**
Opening	763,595	827,065	827,065
Additions	-	-	-
Exchange adjustments	7,816	(14,610)	(63,470)
Total	**771,410**	**812,455**	**763,595**
Accumulated depreciation and impairment			
Opening	761,201	818,020	818,020
Charge for the year / Period	1,187	3,173	6,209
Exchange adjustments	7,817	(14,454)	(63,028)
At 31 March 2021	**770,205**	**806,739**	**761,201**
Net book value	**1,206**	**5,716**	**2,394**

15. Property, plant and equipment
The property, plant and equipment comprises of:

	Land & Buildings	Power stations	Other plant & equipment	Vehicles	Asset under construction	Total
Cost						
At 1 April 2020	**8,765,490**	**216,622,367**	**1,886,252**	**2,356,081**	**280,776**	**229,910,967**
Additions	271,158	318,038	24,375	134,659	36,206	784,436
Transfers on capitalisation	13,598	159,120	-	-	(172,718)	-
Sale / Disposals	-	-	-	(1,561,762)	-	(1,561,762)
Exchange adjustments	(661,265)	(16,639,299)	(143,908)	(180,354)	(21,547)	(17,646,373)
At 31 March 2021	**8,388,982**	**200,460,226**	**1,766,719**	**748,624**	**122,717**	**211,487,267**
At 1 April 2021	**8,388,982**	**200,460,226**	**1,766,719**	**748,624**	**122,717**	**211,487,267**
Additions	-	62,898	10,853	1,588	83,634	158,973
Transfers on capitalisation	-	-	-	-	-	-
Sale / Disposals	-	-	-	-	-	-
Exchange adjustments	84,610	2,053,769	17,970	7,601	986	2,164,936
At 30 September 2021	**8,473,592**	**202,576,893**	**1,795,541**	**757,813**	**207,337**	**213,811,176**
Accumulated depreciation and impairment						
At 1 April 2021	**55,601**	**34,683,662**	**878,072**	**1,824,237**	-	**37,441,572**
Charge for the year	12,081	5,230,238	262,333	194,677	-	5,699,329
Sale / Disposals	-	-	-	(1,263,537)	-	(1,263,537)
Exchange adjustments	(6,363)	(2,874,452)	(77,955)	(147,367)	-	(3,106,137)
At 31 March 2021	**61,319**	**37,039,448**	**1,062,450**	**608,010**	**-**	**38,771,227**
At 1 April 2021	**61,319**	**37,039,448**	**1,062,450**	**608,010**	-	**38,771,227**
Charge for the period	6,351	2,648,699	128,242	15,664	-	2,798,956
Sale / Disposals	-	-	-	-	-	-
Exchange adjustments	979	410,311	13,632	6,493	-	431,415
At 30 September 2021	**68,649**	**40,098,458**	**1,204,324**	**630,167**	**-**	**42,001,598**
Net book value						
At 30 September 2021	**8,404,943**	**162,478,435**	**591,218**	**127,646**	**207,337**	**171,809,578**

At 31 March 2021	**8,327,663**	**163,420,778**	**704,269**	**140,614**	**122,717**	**172,716,040**
At 30 September 2020	**8,648,100**	**176,122,741**	**901,135**	**351,466**	**389,484**	**186,412,926**

16. Other assets

	As at 30 Sept. 2021	As at 30 Sept. 2020	As at 31 March 2021
A. Short-term			
Capital advances	105,907	112,070	124,601
Financial instruments measured at fair value through P&L	24,125,311	1,480,545	13,253,663
Advances and other receivables	7,794,800	5,245,168	4,427,290
Total	**32,026,018**	**6,837,783**	**17,805,554**
B. Long-term			
Lease deposits	-	389,022	-
Bank deposits	71,168	-	57,713
Other advances	12,140	16,512	12,140
Total	**83,308**	**405,534**	**69,853**

The financial instruments of £24,125,311 (2021: £13,253,663) represent investments in mutual funds and their fair value is determined by reference to published data.

17. Trade and other receivables

	As at 30 Sept. 2021	As at 30 Sept. 2020	As at 31 March 2021
Current			
Trade receivables	17,329,073	24,238,726	14,829,989
	17,329,073	**24,238,726**	**14,829,989**

18. Inventories

	As at 30 Sept. 2021	As at 30 Sept. 2020	As at 31 March 2021
Coal and fuel	12,230,429	6,790,041	11,228,377
Stores and spares	1,403,758	1,076,374	958,267
Total	**13,634,187**	**7,866,415**	**12,186,644**

The entire amount of above inventories has been pledged as security for borrowings

19. Cash and cash equivalents and Restricted cash

a) Cash and short term deposits comprise of the following:

	As at 30 Sept. 2021	As at 30 Sept. 2020	As at 31 March 2021
Investment in Mutual funds	1,834,212	-	1,815,629
Cash at banks and on hand	7,606,168	9,374,849	7,105,323
Total	**9,440,379**	**9,374,849**	**8,920,952**

Short-term deposits are placed for varying periods, depending on the immediate cash requirements of the Group. They are recoverable on demand.

b) Restricted cash

Current restricted cash represents deposits maturing between three to twelve months amounting to £3,122,794 (2021: £3,219,356) which have been pledged by the Group in order to secure borrowing limits with the banks.

Non-current restricted represents investments in mutual funds maturing after twelve months amounting to £9,262,942 (2021: £8,194,412). Investments of £ 8,266,192 (2021: £8,182,445) are allocated to debenture redemption fund earmarked towards redemption of non-convertible debentures scheduled during FY2024 of £20,043,153.

20. Issued share capital

Share Capital

The Company presently has only one class of ordinary shares. For all matters submitted to vote in the shareholders meeting, every holder of ordinary shares, as reflected in the records of the Group on the date of the shareholders' meeting, has one vote in respect of each share held. All shares are equally eligible to receive dividends and the repayment of capital in the event of liquidation of the Group.

As at 30 September 2021, the Company has an authorised and issued share capital of 400,733,511 (31 March 2021: 400,733,511) equity shares at par value of £ 0.000147 (31 March 2021: £ 0.000147) per share amounting to £58,909 (31 March 2021: £58,909) in total.

Reserves

Share premium represents the amount received by the Group over and above the par value of shares issued. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Foreign currency translation reserve is used to record the exchange differences arising from the translation of the financial statements of the foreign subsidiaries.

Other reserve represents the difference between the consideration paid and the adjustment to net assets on change of controlling interest, without change in control, other reserves also includes any costs related with share options granted and gain/losses on re-measurement of financial assets measured at fair value through other comprehensive income.

Retained earnings include all current and prior period results as disclosed in the consolidated statement of comprehensive income less dividend distribution.

21. Share based payments

Long Term Incentive Plan

In April 2019, the Board of Directors has approved the introduction of Long Term Incentive Plan (""LTIP""). The key terms of the LTIP are:

The number of performance-related awards is 14 million ordinary shares (the "LTIP Shares") (representing approximately 3.6 per cent of the Company's issued share capital). The grant date is 24 April 2019.

The LTIP Shares were awarded to certain members of the senior management team as Nominal Cost Shares and will vest in three tranches subject to continued service with Group until vesting and meeting the following share price performance targets, plant load factor ("PLF") and term loan repayments of the Chennai thermal plant.

- 20% of the LTIP Shares shall vest upon meeting the target share price of 25.16p before the first anniversary for the first tranche, i.e. 24 April 2020, achievement of PLF during the period April 2019 to March 2020 of at least 70% at the Chennai thermal plant and repayment of all scheduled term loans;
- 40% of the LTIP Shares shall vest upon meeting the target share price of 30.07p before the second anniversary for the second tranche, i.e. 24 April 2021, achievement of PLF during the period April 2020 to March 2021 of at least 70% at the Chennai thermal plant and repayment of all scheduled term loans;
- 40% of the LTIP Shares shall vest upon meeting the target share price of 35.00p before the third anniversary for the third tranche, i.e. 24 April 2022, achievement of PLF of at least 70% at the Chennai thermal plant during the period April 2021 to March 2022 and repayment of all scheduled term loans.

The nominal cost of performance share, i.e. upon the exercise of awards, individuals will be required to pay up 0.0147p per share to exercise their awards

The share price performance metric will be deemed achieved if the average share price over a fifteen day period exceeds the applicable target price. In the event that the share price or other performance targets do not meet the applicable target, the number of vesting shares would be reduced pro-rata, for that particular year. However, no LTIP Shares will vest if actual performance is less than 80 per cent of any of the performance targets in any particular year. The terms of the LTIP provide that the Company may elect to pay a cash award of an equivalent value of the vesting LTIP Shares.

In April 2020, and upon meeting relevant performance targets, 2,190,519 LTIP shares vested (80% of the 1st tranche). These shares will be issued later this year.

None of the LTIP Shares, once vested, can be sold until the third anniversary of the award, unless required to meet personal taxation obligations in relation to the LTIP award.

For LTIP Shares awards, £97,389 (FY20: £535,247) has been recognised in general and administrative expenses.

Grant date	24-Apr-19	24-Apr-19	24-Apr-19
Vesting date	24-Apr-20	24-Apr-21	24-Apr-22
Method of Settlement	Equity/ Cash	Equity/ Cash	Equity/ Cash
Vesting of shares (%)	20%	40%	40%
Number of LTIP Shares granted	2,800,000	5,600,000	5,600,000
Exercise Price (pence per share)	0.0147	0.0147	0.0147
Fair Value of LTIP Shares granted (pence per share)	0.1075	0.1217	0.1045
Expected Volatility (%)	68.00%	64.18%	55.97%

22. Borrowings

The borrowings comprise of the following:

	Interest rate (range %)	**Final maturity**	**30 Sept. 2021**	**30 Sept. 2020**	**31 March 2021**
Borrowings at amortised cost	10.35-11.40	June 2024	27,768,344	23,171,284	26,770,564
Non-Convertible Debentures at amortised cost	9.85	June 2023	20,043,153	21,110,407	19,840,089
Total			**47,811,497**	**44,281,691**	**46,610,653**

The term loans of £23.8m, non-convertible debentures of £20.0m and working capital loans of £4.0m taken by the Group are fully secured by the property, plant, assets under construction and other current assets of subsidiaries which have availed such loans. All term loans and working capital loans are personally guaranteed by a director.

Term loans contain certain covenants stipulated by the facility providers and primarily require the Group to maintain specified levels of certain financial metrics and operating results. As of 30 September 2021, the Group has met all the relevant covenants. The Group raised approximately £20.0 million (₹2000 million) during June 2020 through non-convertible debentures (NCDs) issue with a three years term and coupon rate of 9.85%. NCD's proceeds was used to repay the FY21 and FY22 (i.e. to March 2022) principal term loans obligations.

The fair value of borrowings at 30 September 2021 was £47,811,497 (2021: £46,610,653, 30 September 2020 44,281,691). The fair values have been calculated by discounting cash flows at prevailing interest rates.

The borrowings are reconciled to the statement of financial position as follows:

	30 Sept. 2021	**30 Sept. 2020**	**31 March 2021**
Current liabilities			
Amounts falling due within one year	9,830,045	1,430,290	4,510,358
Non-current liabilities			
Amounts falling due after 1 year but not more than 5 years	37,981,452	42,851,401	42,100,295
Total	**47,811,497**	**44,281,691**	**46,610,653**

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