S.R. BATLIBOI & CO. LLP
Chartered Accountants

4th Floor, Office 405
World Mark – 2, Asset No. 8
IGI Airport Hospitality District, Aerocity
New Delhi – 110 037, India
Tel: +91 11 4681 9500

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of ReNew Power Private Limited ("RPPL")

Report on the Audit of the Special Purpose Combined Financial Statements

Opinion

We have audited the accompanying special purpose combined financial statements of Restricted Group (consisting of certain specific subsidiaries of RPPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group"), which comprise the combined Balance Sheet as at 31 March 2023, the combined Statement of Profit and Loss, including the statement of Other Comprehensive Income, the combined Cash Flow Statement and the combined Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (collectively known as the "special purpose combined financial statements"). These special purpose combined financial statements have been prepared solely for submission by RPPL to the trustees of the INR denominated notes of the Restricted Group as per term sheet.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose combined financial statements have been prepared, in all material respects, in accordance with the basis of preparation set out in note 3 of the accompanying special purpose combined financial statements.

Basis for Opinion

We conducted our audit of the special purpose combined financial statements in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the special purpose combined financial statements' section of our report. We are independent of the Restricted Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose combined financial statements.

Emphasis of matter

We draw attention to note 2 and 3 to the special purpose combined financial statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31 March 2023, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's special purpose combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of the matter.

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Responsibilities of Management for the Special Purpose Combined Financial Statements

RPPL's Board of Directors (referred to as the "Management") is responsible for the preparation of these special purpose combined financial statements in accordance with basis of preparation set out in note 3 of the accompanying notes to these special purpose combined financial statements. This responsibility also includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose combined financial statements, the Management is responsible for assessing the entities forming part of the Restricted Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate any entity forming part of the Restricted Group or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the entities forming part of the Restricted Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose combined financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the special purpose combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Restricted Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entities forming part of Restricted Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entities forming part of Restricted Group to cease to continue as a going concern.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other matters

These special purpose combined financial statements have been prepared by the management of RPPL and our report on these special purpose combined financial statements has been issued solely for the purpose stated in paragraph 2 of the accompanying special purpose combined financial statements and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Our opinion is not modified in respect of this matter.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S. R. BATLIBOI & CO. LLP * GURUGRAM *

per Naman Agarwal
Partner
Membership Number: 502405
UDIN: 23502405BGXEFA2037
Place of Signature: Gurugram
Date: 29-07-2023

Restricted Group
Combined Balance Sheet as at 31 March 2023
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	4	24,521	25,321
Intangible assets	5	0	0
Right of use assets	5A	14	15
Financial assets			
Trade receivables	11	1,700	205
Others	6	13	0
Prepayments	8	5	7
Non Current tax assets (net)		204	171
Other non-current assets	9	3,041	11
Total non-current assets		**29,498**	**25,730**
Current assets			
Inventories	10	146	19
Financial assets			
Investments	6	262	-
Loans	6	17,494	12,158
Trade receivables	11	2,289	6,726
Cash and cash equivalent	12	741	939
Bank balances other than cash and cash equivalent	12	1,142	234
Others	6	3,146	2,618
Prepayments	8	32	28
Other current assets	9	164	258
Total current assets		**25,416**	**22,980**
Total assets		**54,914**	**48,710**
Equity and liabilities			
Equity			
Equity share capital	13A	353	353
Instruments entirely equity in nature	13B	521	521
Other equity			
Equity component of compulsorily convertible debentures	13C	79	79
Equity component of preference shares	13D	1,407	1,407
Securities premium	14A	5,552	5,552
Debenture redemption reserve	14B	596	265
Retained earnings	14C	1,428	1,224
Total equity		**9,936**	**9,401**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	15	36,391	34,952
Lease liabilities	17	1	1
Others	18	113	164
Deferred tax liabilities (net)	7	1,830	1,434
Long-term provisions	16	1,622	1,377
Total non-current liabilities		**39,957**	**37,928**
Current liabilities			
Financial liabilities			
Short-term borrowings	19	3,859	136
Lease liabilities	17	0	0
Trade payables			
Outstanding dues to micro enterprises and small enterprises	20	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	20	635	647
Other current financial liabilities	21	471	477
Current tax liabilities (net)		20	71
Other current liabilities	22	36	50
Total current liabilities		**5,021**	**1,381**
Total liabilities		**44,978**	**39,309**
Total equity and liabilities		**54,914**	**48,710**

Summary of significant accounting policies 3

The accompanying notes are an integral part of the Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

S. R. BATLIBOI & CO. LLP GURUGRAM

per Naman Agarwal
Partner
Membership No.: 502405
Place: Gurugram
Date: 29 July 2023

For and on behalf of the Restricted Group

(Kailash Vaswani)
Director
DIN- 06902704
Place: Gurugram
Date: 29 July 2023

(Kedar Upadhye)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2023

Renew Power Private Ltd.

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2023

Restricted Group
Combined Statement of Profit and Loss For the year ended 31 March 2023
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income:			
Revenue from operations	23	5,438	5,146
Other income	24	1,811	1,668
Total income		**7,249**	**6,814**
Expenses:			
Other expenses	25	1,182	1,043
Total expenses		**1,182**	**1,043**
Earning before interest, tax, depreciation and amortization (EBITDA)		**6,067**	**5,771**
Depreciation & amortisation expense	26	963	971
Finance costs	27	3,884	3,177
Profit before tax		**1,220**	**1,623**
Tax expense			
Current tax	7	284	325
Deferred tax	7	396	349
Tax for earlier years	7	5	8
Profit for the year	**(a)**	**535**	**941**
Other comprehensive income (OCI)	**(b)**	-	-
Total comprehensive income for the year	**(a) + (b)**	**535**	**941**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP
GURUGRAM

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Membership No.: 502405
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Chief Financial Officer
Place: Gurugram
Date: 29 July 2023

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2023

ReNew Power Private Ltd.

Restricted Group

Combined Statement of Cash Flows For the year ended 31 March 2023

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	1,220	1,623
Adjustments for:		
Depreciation and amortisation expense	963	971
Operation and maintenance	(57)	(58)
Interest income	(1,199)	(940)
Unwinding of discount on provisions	95	83
Interest expense	3,776	3,091
Fair value change of mutual fund (including realised gain)	(2)	-
Profit on sale of property, plant & equipments	-	(4)
Impairment of inventory	88	-
Impairment allowance for financial assets	177	-
Unwinding of financial assets	(22)	-
Operating profit before working capital changes	**5,039**	**4,766**
Movement in working capital		
(Increase)/decrease in trade receivables	2,787	(1,364)
(Increase)/decrease in inventories	(215)	(12)
(Increase)/decrease in financial assets	17	(83)
(Increase)/decrease in prepayments	(2)	2
(Increase)/decrease in other assets	(2,939)	(69)
Increase/(decrease) in other liabilities	(13)	39
Increase/(decrease) in trade payables	(13)	35
Cash generated from operations	**4,661**	**3,314**
Direct taxes paid (net of refunds)	(373)	(286)
Net cash generated from operating activities	**4,288**	**3,028**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress, intangibles, capital creditors and capital advances	(24)	(17)
Redemption of bank deposits having residual maturity more than 3 months	(908)	(172)
Loan given to related parties	(5,360)	(1,105)
Loan repaid by related parties	19	74
Interest received	648	723
Net investment in mutual funds	(260)	-
Net cash generated (used in) investing activities	**(5,885)**	**(497)**
Cash flow from financing activities		
Proceeds from short-term borrowings	3,723	515
Repayment of short-term borrowings	-	(497)
Interest paid	(2,324)	(2,060)
Net cash (used in) financing activities	**1,399**	**(2,042)**
Net (decrease) in cash and cash equivalents	**(198)**	**489**
Cash and cash equivalents at the beginning of the period	**939**	**450**
Cash and cash equivalents at the end of the period	**741**	**939**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	411	939
- On deposit account for more than 3 months and less than 12 months	1,142	234
	1,883	**1,173**
Less: Fixed deposits with original maturity of between 3 months and 12 months	(1,142)	(234)
Total cash and cash equivalents	**741**	**939**

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Renew Power Private Ltd.

Restricted Group
Combined Statement of Cash Flows For the year ended 31 March 2023
(Amounts in INR millions, unless otherwise stated)

Changes in liabilities arising from financial activities:

Particulars	Opening balance as at 1 April 2022	Cash flows (net)	Other changes*	Closing balance as at 31 March 2023
Long-term borrowings (including current maturities)	34,952	(0)	1,442	36,393
Short-term borrowings	136	3,723	-	3,859
Total liabilities from financing activities	**35,088**	**3,723**	**1,442**	**40,252**

Particulars	Opening balance as at 1 April 2021	Cash flows (net)	Other changes*	Closing balance as at 31 March 2022
Long-term borrowings (including current maturities)	34,118	-	835	34,952
Short-term borrowings	118	19	-	136
Total liabilities from financing activities	**34,236**	**19**	**835**	**35,088**

* other changes includes adjustment of ancillary borrowing cost
Refer note 28 for movement in lease liabilities.

Summary of significant accounting policies 3

Notes:
1. The cash flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes are an integral part of the Combined Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP GURUGRAM

per Naman Agarwal
Partner
Membership No.: 502405
Place: Gurugram
Date: 29 July 2023

For and on behalf of the Restricted Group

(Kailash Vaswani)
Director
DIN- 06902704
Place: Gurugram
Date: 29 July 2023

(Kedar Upadhye)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2023

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2023

Renew Power Private Ltd.

Restricted Group
Combined Statement of changes in equity For the year ended 31 March 2023
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group							Total equity
	Equity share capital*	Instruments entirely equity in nature#	Equity component of compulsorily convertible debentures	Equity Component of Preference Share	Reserves and Surplus#			
					Securities premium	Retained earnings	Debenture redemption reserve	
	(refer note 13A)	(refer note 13B)	(refer note 13C)	(refer note 13D)	(refer note 14A)	(refer note 14C)	(refer note 14B)	
At 1 April 2021	**353**	**521**	**79**	**1,407**	**5,552**	**544**	**5**	**8,461**
Profit for the period	-	-	-	-	-	941	-	941
Total comprehensive income	-	-	-	-	-	**941**	-	**941**
Debenture redemption reserve	-	-	-	-	-	(260)	260	-
At 31 March 2022	**353**	**521**	**79**	**1,407**	**5,552**	**1,224**	**265**	**9,403**
Profit for the period	-	-	-	-	-	535	-	535
Total Comprehensive Income	-	-	-	-	-	**535**	-	**535**
Debenture redemption reserve	-	-	-	-	-	(331)	331	-
At 31 March 2023	**353**	**521**	**79**	**1,407**	**5,552**	**1,428**	**596**	**9,936**

*The Combined Financial Statement do not represent a legal entity structure. The share capital of Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.
#Instruments entirely equity in nature and reserves and surplus represents the aggregate amount of Restricted Group entities as at the respective year/period ends.
Summary of significant accounting policies

The accompanying notes are an integral part of the Combined Financial Statements
As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per Naman Agarwal
Partner
Membership No.: 502405
Place: Gurugram
Date: 29 July 2023

For and on behalf of the Restricted Group

(Kailash Vaswani)
Director
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(Kedar Upadhye)
Chief Financial Officer

Place: Gurugram
Date: 29 July 2023

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2023

Renew Power Private Limited *

(Amounts in INR millions, unless otherwise stated)

1 Corporate information

ReNew Power Private Limited is a private limited company (referred to as the "Parent" or "RPPL") having its registered office of the Company is located at 138, Ansal Chamber - II Bikaji Cama Place, New Delhi-110066.

Certain subsidiary companies of the Parent and ReNew Solar Power Private Limited (wholly owned subsidiary of RPPL) which are collectively referred to as the 'Restricted Group' to issue INR denominated Non-Convertible Debentures (referred to as "INR NCDs") which are listed on Singapore Exchange Securities Trading Limited (SGX-ST). The details of entities forming part of Restricted Group are explained in table below:

S.No.	Name of entity	As on 31 March 2023	As on 31 March 2023
1	ReNew Wind Energy (Karnataka) Private Limited	72%	72%
2	ReNew Wind Energy (MP Two) Private Limited	100%	100%
3	ReNew Wind Energy (Rajkot) Private Limited	100%	100%
4	ReNew Wind Energy (Shivpur) Private Limited	100%	100%
5	ReNew Wind Energy (Welturi) Private Limited	100%	100%
6	ReNew Solar Energy (TN) Private Limited	100%	100%
7	ReNew Solar Energy (Karnataka) Private Limited	100%	100%

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Private Limited.
Entities forming part of the Restricted Group listed above are incorporated in India and are engaged in generation of power through non-conventional and renewable energy sources.

The Combined Financial Statements were approved for issue in accordance with a resolution of the directors on 29 July 2023.

2 Purpose of Special Purpose Combined Financial Statements

Management of the Parent company has prepared the Special Purpose Combined Financial Statements which comprise the Combined Balance Sheet as at 31 March 2023, the Combined Statement of Profit and Loss including other comprehensive income, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2023, a summary of the significant accounting policies and other explanatory information.

These Special Purpose Combined Financial Statements have been prepared for the purpose of submission to the holders of the INR denominated Non-Convertible Debentures (referred to as "INR NCDs") issued by entities forming part of the Restricted Group. These Combined Financial Statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the year presented. The basis of preparation and significant accounting policies used in preparation of these Combined Financial Statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The Special Purpose Combined Financial Statements have been prepared in accordance with the principles of Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, except Ind AS 33 "Earnings Per Share, and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management has prepared these Special Purpose Combined Financial Statements to depict the historical cost of the Restricted Group except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The Special Purpose Combined 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 year presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Schedule III of Companies Act 2013.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Ltd.

3.2 Basis of Combination

The financial information of all entities forming part of Restricted Group used for the purpose of combination are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2023.

The Special Purpose Combined Financial Statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities forming part of Restricted Group have been eliminated and profits or losses arising from intragroup transactions that are recognised in assets, such as inventory and fixed assets have been eliminated in full. The resulting financial position may not be that which might have existed if the combining businesses had been a stand-alone business.

The carrying values pertaining to an entity, as included in the consolidated financial information of the Parent including the supporting information, are used for the purpose of preparing Special Purpose Combined Financial Statements including fair value adjustment to assets and liabilities on acquisition along with corresponding impact on deferred taxes.

All inter-company transactions and balances within the Restricted Group have been eliminated in full. Transactions that have taken place with other related parties of entities forming part of the Restricted Group but not forming part of the Restricted Group have been disclosed in accordance with Ind AS 24 Related Party Disclosures.

Share capital and reserves disclosed in the Special Purpose Combined Financial Statements is not the legal capital and reserves of the Restricted Group and is the aggregation of the share capital and reserves of the individual combining entities.

Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note.

The Special Purpose Combined Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The accounting policies adopted for preparation and presentation of Special Purpose Special Purpose Combined Financial Statements have been consistently applied

3.3 Summary of Significant Accounting Policies

a) Current versus non-current classification

The Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:
- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The entities forming part of the Restricted Group have identified twelve months as their operating cycle for classification of their current assets and liabilities.

b) Fair value measurement

The entities forming part of the Restricted Group measure financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the entities forming part of the Restricted Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The entities forming part of the Restricted Group use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
• Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the entities forming part of the Restricted Group have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

At each reporting date, the management of the entities forming part of the Restricted Group analyse the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies of the Restricted Group.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the entities forming part of the Restricted Group determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
· Disclosures for significant estimates and assumptions (Refer Note 38)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 34)
· Financial instruments (including those carried at amortised cost) (Refer Note 33 & 34)

c) Revenue recognition
Revenue from contracts with customers
Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Sale of Power
Income from supply of power is recognised over time on the supply of units generated from plant to the grid as per terms of the Power Purchase Agreement (PPA) entered into with the customers.

The entities forming part of Restricted Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of power, the Group considers the effects of variable consideration and consideration payable to the customer (if any).

Transaction Price - Remaining Performance Obligation:
The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

(i) Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Rebates
In some PPAs, the Group provide rebates in invoice if payment is made before the due date. Rebates are offset against amounts payable by the customers. To estimate the variable consideration for the expected future rebate, the Group applies the most likely method.

(ii) Consideration payable to customers
In some PPAs, Group has to pay consideration to customers. Consideration payable to customers are offset against the revenue recognised as and when sale of power occurs.

Income from Liquidated damages and interest on advances
Income from liquidated damages is recognised after certainty of receipt of the same is established.

Dividend
Dividend income is recognised when the right of the entities forming part of the Restricted Group to receive dividend is established by the reporting date.

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Interest income
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the entities forming part of the Restricted Group estimate the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Combined Statement of Profit and Loss.

Income from government grants
Refer note (f) for accounting policy.

Contract balances :

(i) Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the entities forming part of Restricted Group perform by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the entities forming part of Restricted Group have received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the entities forming part of Restricted Group transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the entities forming part of Restricted Group perform under the contract.

(iii) Trade receivables
A receivable represents the right of entities forming part of Restricted Group to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments – initial recognition and subsequent measurement.

d) Foreign currencies
The Restricted Group Financial Statements are presented in Indian rupees (INR), of all entities forming part of Restricted Group. Functional currency is the currency of the primary economic environment in which the entities forming part of Restricted Group operates and is normally the currency in which the entities forming part of Restricted Group primarily generates and expends cash.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

e) Income taxes
Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India. Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In situations where the entities forming part of the Restricted Group are entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate. However, the entities forming part of the Restricted Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax
Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entities forming part of the Restricted Group will pay normal income tax. Accordingly, MAT is recognised as deferred tax asset in the Combined Balance Sheet when it is probable that future economic benefit associated with it will flow to the entities forming part of the Restricted Group.

f) Government grants
Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be compiled with. When the grant related to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the entities forming part of the Restricted Group receive grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

The entities forming part of the Restricted Group presents grants related to an expense item as other income in the Combined Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission renewable certificates have been recognised as other income.

Generation based incentive
Generation based incentive is recognized on the basis of supply of units generated by the entities forming part of the Restricted Group to the state electricity board from the eligible project in accordance with the scheme of the "Generation Based Incentive (GBI) for Grid interactive Wind Power Projects"

Sale of Emission Reduction Certificates
Government grants in the form of carbon emission rights (CERs), which are received on projects registered under the United Nations Framework on Climate Change, are recorded as inventory and initially measured at fair value when there is reasonable assurance that such CERs will be received, with credit being recognised as Income from sale of emission reduction certificates under other operating income in the statement of profit or loss. Such CERs are subsequently tested for impairment. The Group derecognises the CERs when the certificate is sold, which occurs when units are transferred to the customer. The difference between the carrying value and sale price is recognised as income from sale of emission reduction certificates under 'Other operating income'. Unbilled CERs which are agreed to be sold to a specific party have been treated as financial assets.

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g) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment except freehold land is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Restricted group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent Costs
The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the entities forming part of the Restricted Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Combined Statement of Profit and Loss as and when incurred.

Derecognition
An item of property, plant and equipment and any significant part initially recognised 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 Combined Combined Statement of Profit and Loss when the asset is derecognised.

h) Depreciation/amortization of property, plant and equipment and intangibles
Depreciation and amortization is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	**Useful life (in years)**
Plant and equipment (wind and solar power projects from 01 October 2020)*	30-35
Furniture & fixture	10
Office equipment	5
Leasehold Improvements	Over the period of lease
Computers	3
Computer software	3-6

* Based on an external technical assessment, the management believes that the useful lives as given above and residual value of 0%-5%, best represents the period over which management expects to use its assets and its residual value. The useful life of plant and equipment is different from the useful life as prescribed under Part C of Schedule II of Companies Act, 2013.

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

i) Leases
The Restricted Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee
Entities forming part of the Restricted Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The entities forming part of the Restricted Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets
Entities forming part of the Restricted Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the entities forming part of Restricted Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease liabilities
At the commencement date of the lease, the rntities forming part of the Restricted Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the entities forming part of the Restricted Group and payments of penalties for terminating the lease, if the lease term reflects the entities forming part of the Restricted Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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In calculating the present value of lease payments, the entities forming part of the Restricted Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets
The entities forming part of the Restricted Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor
Leases in which the entities forming part of the Restricted Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

j) Inventories
Inventories are valued at the lower of cost and net realisable value.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs consist of interest, discount on issue, premium payable on redemption and other costs that an entity incurs in connection with the borrowing of funds (this cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs). The borrowing costs are amortised basis the Effective Interest Rate (EIR) method over the term of the loan. The EIR amortisation is recognised under finance costs in the Combined Statement of Profit and Loss. The amount amortized for the six months period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

l) Impairment of non-financial assets
The entities forming part of the Restricted Group assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entities forming part of the Restricted Group estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When 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 of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The entities forming part of the Restricted Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Restricted Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the entities forming part of the Restricted Group extrapolate cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Combined Statement of Profit and Loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the entities forming part of the Restricted Group estimate the asset's or CGU'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 value 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 Combined Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

m) Provisions

Provisions are recognised when the entities forming part of the Restricted Group have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the entities forming part of the Restricted Group expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Combined Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the entities forming part of the Restricted Group commit to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense in the Combined Combined Statement of Profit and Loss. The losses arising from impairment are recognised in the Combined Combined Statement of Profit and Loss.

Debt instruments at fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the entities forming part of the Restricted Group recognize interest income, impairment losses and reversals and foreign exchange gain or loss in the Combined Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Combined Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the entities forming part of the Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The entities forming part of the Restricted Group have not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Special Purpose Interim Combined Combined Statement of Profit and Loss .

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the entities forming part of the Restricted Group may make an irrevocable election to present the subsequent changes in the fair value in OCI. The entities forming part of the Restricted Group make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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If the entities forming part of the Restricted Group decide to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Combined Statement of Profit and Loss, even on sale of investment. However, the entities forming part of the Restricted Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Combined Combined Statement of Profit and Loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:
- The rights to receive cash flows from the asset have expired, or
- The entities forming part of the respective Restricted Group have transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
Either the entities forming part of the Restricted Group have transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the entities forming part of the Restricted Group have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if and to what extent they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the entities forming part of the Restricted Group continue to recognise the transferred asset to the extent of the continuing involvement of the entities forming part of the Restricted Group. In that case, the entities forming part of the Restricted Group also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the entities forming part of the Restricted Group have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the entities forming part of the Restricted Group could be required to repay.

Impairment of financial assets
In accordance with Ind AS 109, the Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.
The entities forming part of the Restricted Group follows 'simplified approach for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the entities forming part of the Restricted Group to track changes in credit risk. Rather it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the entities forming part of the Restricted Group determine that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Combined Combined Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The financial liabilities of the entities forming part of the Restricted Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement
The measurement of financial liabilities depends on their classification as discussed below:-

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Combined Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

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Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Combined Statement of Profit and Loss. This category generally applies to borrowings.

The entities forming part of the Restricted Group recognise debt modifications agreed with lenders to restructure their existing debt obligations. Such modifications are done to take advantage of falling interest rates by cancelling the exposure to high interest fixed rate debt, pay a fee or penalty on cancellation and replace it with debt at a lower interest rate (exchange of old debt with new debt). The qualitative factors considered to be relevant for modified financial liabilities include, but are not limited to, the currency that the debt instrument is denominated in, the interest rate (that is fixed versus floating rate), conversion features attached to the instrument and changes in covenants. The accounting treatment is determined depending on whether modifications or exchange of debt instruments represent a settlement of the original debt or merely a renegotiation of that debt. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Combined Statement of Profit and Loss.

Compound Instruments- Compulsory Convertible Debentures (CCDs)
Compulsory Convertible Debentures (CCDs) are separated into liability and equity components based on the terms of the contract

Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.

The company recognises interest, dividends, losses and gains relating to such financial instrument or a component that is a financial liability as income or expense in profit or loss.

The present value of the liability part of the compulsory convertible debentures classified under financial liabilities and the equity component is calculated by subtracting the liability from the total proceeds of CCDs.

Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds. Transaction costs that relate jointly to more than one transaction (for example, cost of issue of debentures, listing fees) are allocated to those transactions using a basis of allocation that is rational and consistent with similar transactions.

Redeemable non convertible preference shares
Redeemable non convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the redeemable non convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax.

Compulsorily Convertible Preference shares (CCPS)
Compulsorily Convertible Preference shares are accounted for as Instruments entirely equity in nature since conversion option meets Ind AS 32 criteria for fixed to fixed classification and the dividend distribution is discretionary in nature.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged/ cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Combined Statement of Profit and Loss .

Reclassification of financial assets and liabilities
The Restricted Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Cash and Cash-Equivalents
Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net off bank overdrafts as they considered an integral part of the entities forming part of the Restricted Group's cash management.

p) Measurement of EBITDA

The Restricted Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Combined Statement of Profit and Loss. The Restricted Group measure EBITDA on the basis of profit/ (loss) from continuing operations. In their measurement, the companies include interest income but do not include depreciation and amortization expense, finance costs and tax expense.

q) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entities forming part of the Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

3.2 New standards, interpretations and amendments

3.2.1 New and amended standards and interpretations adopted by the company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land #	Plant and equipment	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost								
At 1 April 2021	469	33,816	4	3	3	4	34,299	1
Adjustment*	-	(216)	-	-	-	(1)	(217)	(1)
At 31 March 2022	**469**	**33,600**	**4**	**3**	**3**	**3**	**34,082**	**-**
Additions during the period	-	11	1	-	0	-	12	-
Adjustment during the period*	-	150	-	-	-	0	150	-
At 31 March 2023	**469**	**33,761**	**5**	**3**	**3**	**3**	**34,244**	**-**
Accumulated depreciation								
At 1 April 2021	-	7,785	2	2	1	2	7,792	-
Charge for the period (refer note 26)	-	968	-	0	1	0	969	-
At 31 March 2022	**-**	**8,753**	**2**	**2**	**2**	**2**	**8,761**	**-**
Charge for the period (refer note 26)	-	960	1	1	0	0	**962**	-
At 31 March 2023	**-**	**9,713**	**3**	**3**	**2**	**2**	**9,723**	**-**
Net book value								
At 31 March 2022	**469**	**24,847**	**2**	**1**	**2**	**1**	**25,321**	**-**
At 31 March 2023	**469**	**24,048**	**2**	**0**	**1**	**1**	**24,521**	**-**

#Title deeds of immovable property not held in the name of the Company

As at 31 March 2023

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Land	3	Multiple	NA	December 2012 to May 2013	NA Conversion in Process

As at 31 March 2022

Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of	Property held since which date	Reason for not being held in the name of the
Land	24	Multiple	NA	December 2012 to May 2013	NA Conversion in Process

*** Adjustment pertains to following**
- Adjustment during the year pertains to reassessment of asset retirement obligation adjusted in plant and equipment (refer note 13).

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 24,521 (31 March 2022: INR 25,321) are subject to a pari passu first charge to respective lenders for project bonds as disclosed in Note 15.

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

5 Intangible assets	**Computer software**	**Total Intangibles**
Cost		
At 1 April 2021	0	0
Additions during the period	1	1
At 31 March 2022	**1**	**1**
Adjustment	(0)	(0)
At 31 March 2023	**1**	**1**
Accumulated Amortisation		
At 1 April 2021	0	0
Amortisation for the period (refer note 26)	1	1
At 31 March 2022	**1**	**1**
Amortisation for the period (refer note 26)	0	0
At 31 March 2023	**1**	**1**
Net book value		
At 31 March 2022	**0**	**0**
At 31 March 2023	**0**	**0**

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Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

5A Right of use assets

Particulars	Lease land	Total
Cost		
As at April 1, 2021	17	17
As at March 31, 2022	**17**	**17**
As at March 31, 2023	**17**	**17**
Accumulated depreciation		
As at 1 April 2021	1	1
Amortisation for the period (refer note 26)	1	1
As at 31 March 2022	**2**	**2**
Amortisation for the period (refer note 26)	1	1
Balance as at 31 March 2023	**3**	**3**
Net book value		
As at March 31, 2022	**15**	**15**
As at March 31, 2023	**14**	**14**

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ReNew Power Private Limited

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(Amounts in INR millions, unless otherwise stated)

6 Financial assets	As at 31 March 2023	As at 31 March 2022
Non-current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Others		
Security deposits	13	-
Bank deposits with remaining maturity for more than twelve months (refer note 12)	0	0
Total	**13**	**0**
Investments at fair value through profit or loss		
Quoted Mutual Funds		
Aditya Birla Sunlife - Overnight - Direct Growth (31 March 2022 : Nil)	262	-
Total	**262**	**-**
Aggregate book value of quoted investments	260	-
Aggregate market value of quoted investments	262	-
Current (unsecured, considered good unless stated otherwise)		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Security deposits	-	6
Loans to related parties (refer note 30)	17,494	12,152
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**17,494**	**12,158**
Others		
Government grants*		
- Generation based incentive receivable	30	73
Recoverable from related parties (refer note 30)	564	563
Claim recoverable	22	6
Interest accrued on fixed deposits	7	0
Interest accrued on loans to related parties (refer note 30)	2,468	1,923
Security deposits	2	-
Others	53	53
Total	**3,146**	**2,618**

*Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants.

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for entities forming part of the Restricted Group. The carrying value may be affected by changes in the credit risk of the counterparties.

No loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.

Loans or advances to specified persons

	As at 31 March 2023		As at 31 March 2022	
Type of Borrower	**Amount outstanding**	**% of Total**	**Amount outstanding**	**% of Total**
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	20,525,453	99%	14,638,223	99%

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Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

7 Deferred tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (gross)		
Compound financial instruments	(121)	(134)
Losses available for offsetting against future taxable income	504	933
Provision for decommissioning cost	423	360
Expected credit loss	104	65
Unused tax credit (MAT)	693	547
Provision for operation and maintenance equalisation	1	1
Lease liabilities	0	0
Others	4	-
Deferred tax assets (gross) - total (a)	**1,607**	**1,773**
Deferred tax liabilities (gross)		
Compound Financial Instruments	0	-
Difference in written down value as per books of account and tax laws	3,444	3,213
Unamortized ancillary borrowing cost	2	2
Right of use asset	0	0
Fair value gain on financial instruments (Investment)	(9)	(9)
Deferred tax liabilities (gross) - total (b)	**3,437**	**3,206**
Deferred tax liabilities (net) (a) - (b)	**(1,830)**	**(1,434)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

	For the year ended on 31 March 2023	For the year ended on 31 March 2022
Accounting profit before income tax	**1,220**	**1,623**
Tax at the India's tax rate of 26% (31 March 2022: 26%)	317	422
Disallowance u/s 94B of Income Tax Act	436	276
Tax rate differences	-	(23)
Change in estimates for recoverability of unused tax credits (MAT)	-	(1)
Effect of tax holidays and other tax exemptions	(106)	30
Adjustment of tax relating to earlier periods	25	(1)
Other non deductible expenses	12	(20)
At the effective income tax rate	**685**	**684**
Current tax expense reported in the statement of profit and loss	284	325
Deferred tax expense reported in the statement of profit and loss	396	349
Adjustment of tax relating to earlier years	5	8
	685	**684**

Reconciliation of deferred tax assets (net):

	Balance of DTA/(DTL) (net) on 1 April 2022	Income/(expense) recognised in profit and loss	Balance of DTA/(DTL) (net) on 31 March 2023
Compound financial instruments	(134)	12	(121)
Difference in written down value as per books of account and tax laws	(3,238)	(231)	(3,468)
Unamortized ancillary borrowing cost	(2)	1	(2)
Provision for decommissioning cost	384	62	447
Expected credit loss	65	39	104
Fair Valuation of investment	9	-	9
Losses available for offsetting against future taxable income	933	(429)	504
Unused tax credit (MAT)	547	146	693
Provision for operation and maintenance equalisation	1	(0)	1
Lease liabilities	0	(0)	0
Generation based Incentive (Viability Gap Funding)	-	0	-
Right of use asset	(0)	(0)	(0)
LPS	-	4	4
	(1,434)	**(396)**	**(1,830)**

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

	Balance of DTA/(DTL) (net) on 1 April 2021	Income/(expense) recognised in profit and loss	Balance of DTA/(DTL) (net) on 31 March 2022
Compound financial instruments	(120)	(13)	(134)
Difference in written down value as per books of account and tax laws	(2,954)	(283)	(3,238)
Unamortized ancillary borrowing cost	(4)	2	(2)
Provision for decommissioning cost	424	(40)	384
Expected credit loss	40	25	65
Fair Valuation of investment	(1)	10	9
Losses available for offsetting against future taxable income	1,193	(259)	933
Unused tax credit (MAT)	336	211	547
Provision for operation and maintenance equalisation	1	(0)	1
Lease liabilities	0	(0)	0
Right of use asset	(0)	-	(0)
	(1,085)	**(349)**	**(1,434)**

The entities forming part of restricted group has unabsorbed depreciation and carreid forward losses which arose in India of INR 2,583 (31 March 2022: INR 3,855). The unabsorbed depreciation will be available for offsetting against future taxable profits of the entities forming part of restricted group.
Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the entities forming part of restricted group in which the losses arose are INR Nil (31 March 2022: INR Nil). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 2,583 (31 March 2022: INR 3,855).

The entities forming part of restricted group has recognised deferred tax asset of INR 504 (31 March 2022: INR 933) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

8 Prepayments

	As at 31 March 2023	As at 31 March 2022
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	5	7
Total	**5**	**7**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	32	28
Total	**32**	**28**

9 Other assets

	As at 31 March 2023	As at 31 March 2022
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advances	11	11
Security deposits	0	0
Balances with Government authorities	0	0
Share application money pending allotment (refer note 30)	3,030	-
Total	**3,041**	**11**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable	115	163
Balances with Government authorities	44	96
Others	5	-
Total	**164**	**258**

10 Inventories

	As at 31 March 2023	As at 31 March 2022
Emission reduction certificates	131	0
Consumables & Spares	15	18
Total	**146**	**19**

(Amounts in INR millions, unless otherwise stated)

11 Trade receivables

	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good	1,700	205
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	1,700	205
Less: Impairment allowances for bad and doubtful debts	-	-
Total	**1,700**	**205**
Current		
Unsecured, considered good	2,694	6,967
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	2,694	6,967
Less: Impairment allowances for bad and doubtful debts	(404)	(241)
Total	**2,289**	**6,726**

No trade or other receivables are due from directors or other officers of the entities forming part of the Restricted Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.
Trade receivables are non-interest bearing and are generally on terms of 7-60 days.

	Impairment allowance
As at 31 March 2021	146
Provision for expected credit losses for the year	95
As at 31 March 2022	**241**
Provision for expected credit losses for the year	163
As at 31 March 2023	**404**

12 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Balance with bank		
- On current accounts	411	939
- Deposits with original maturity of less than 3 months	330	-
Total	**741**	**939**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #*	1,142	234
- Remaining maturity for more than twelve months	0	0
	1,142	**234**
Less: amount disclosed under financial assets (others) (Note 6)	(0)	(0)
Total	**1,142**	**234**

Fixed deposits of INR 11 (31 March 2022: INR 10) are under lien with various banks as margin money for the purpose of letter of credit/bank guarantee.

* The bank deposits have an original maturity period of 19 to 760 days and carry an interest rate of 3.50% to 7.60% which is receivable on maturity.

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(Amounts in INR millions, unless otherwise stated)

13 Share capital

The Combined financial statement do not represent a legal entity structure. The share capital of Restricted Group is the summation of the share capital of the respective entities forming part of the Restricted Group.

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2021	38,110,000	381
At 31 March 2022	38,110,000	381
At 31 March 2023	**38,110,000**	**381**
Preference shares of INR 10 each		
At 1 April 2021	51,115,000	511
At 31 March 2022	51,115,000	511
At 31 March 2023	**51,115,000**	**511**
Preference shares of INR 100 each		
At 1 April 2021	3,000,000	300
At 31 March 2022	3,000,000	300
At 31 March 2023	**3,000,000**	**300**

Issued share capital	Number of shares	Amount
13A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2021	35,357,067	353
At 31 March 2022	35,357,067	353
At 31 March 2023	**35,357,067**	**353**

Terms/rights attached to equity shares

The entities forming part of Restricted Group have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the entities forming part of Restricted Group will pay dividends in Indian rupees.
In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective entity, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective entity.

13B Instruments entirely equity in nature

0.0001% compulsorily convertible preference shares (CCPS) of INR 10 each	Number of shares	Amount
At 1 April 2021	26,914,000	269
At 31 March 2022	26,914,000	269
At 31 March 2023	**26,914,000**	**269**

0.0001% compulsorily convertible preference shares (CCPS) of INR 100 each	Number of shares	Amount
At 1 April 2021	2,519,043	252
At 31 March 2022	2,519,043	252
At 31 March 2023	**2,519,043**	**252**

At 1 April 2021	**521**
At 31 March 2022	**521**
At 31 March 2023	**521**

0.0001% compulsorily convertible preference shares (face value INR 10 each) (CCPS)

ReNew Solar Energy (TN) Private Limited and ReNew Wind Energy (MP Two) Private Limited issued 14,198,000; 0.0001% compulsorily convertible preference shares (CCPS) in FY 2014-15, ReNew Wind Energy (MP Two) Private Limited and ReNew Wind Energy (Shivpur) Private Limited issued 8.906,000; 0.0001% CCPS in FY 2015-16 and ReNew Wind Energy (Shivpur) Private Limited issued 3,810,000; 0.0001% CCPS in FY 2016-17 of INR 10 each fully paid-up at a premium of INR 90 per share. CCPS carry non cumulative dividend at 0.0001%. If declared, the Restricted Group entities will pay dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

CCPS do not carry voting rights and are freely transferable. CCPS would be compulsorily converted into Equity Shares of the respective Company forming part of the Restricted Group at the price of INR 100 (Rupees Hundred) per share in the ratio of 1 equity shares : 1 preference shares.

In the event of Liquidation of a Company forming part of the Restricted Group, the holders of CCPS shall be paid 1 times the face value of CCPS and such dividend in arrear, if any, declared and remained unpaid. The said preference shares shall have right to participate in surplus assets & profits on winding up, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of Rs 90 per preference share.

0.0001% compulsorily convertible preference shares (face value Rs 100 each) (CCPS)
During the Financial Year 2015-16, the Restricted Group entities issued 2,519,043; 0.0001% compulsorily convertible preference shares (CCPS) of INR 100 each fully paid up. CCPS carry non-cumulative dividend @ 0.0001% per annum. If declared, the Restricted Group entities will pay dividends in Indian rupees.
CCPS do not carry voting rights. CCPS are compulsorily convertible into equity shares on Mandatory Conversion Date i.e. July 2, 2035 at the ratio of 1 equity share :1 preference share. CCPS may also get converted into equity shares of the respective Company at any time at the option of the holder, at the date determined by the holder of the CCPS before the Mandatory Conversion Date.

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(Amounts in INR millions, unless otherwise stated)

13C Equity component of compulsorily convertible debentures (CCDs)

11% Compulsorily convertible debentures (CCDs) of INR 120 each	Number of debentures	Total proceeds	Liability component (refer note)	Equity component*
At 01 April 2021	1,489,180	179	163	79
Accretion during the year	-	-	16	-
At 31 March 2022	**1,489,180**	**179**	**179**	**79**
Accretion during the year	-	-	16	-
At 31 March 2023	**1,489,180**	**179**	**192**	**79**

Terms of conversion of CCDs

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, in accordance with the terms of the Joint Venture Agreement at conversion ratio of 1 equity shares : 1 compulsorily convertible debentures (CCDs).
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights.

(*Adjusted for deferred tax at inception)

13D Equity component of preference shares:

0.0001% redeemable non cumulative preference shares (RNCPS) of INR 10 each (including share premium of INR 90 each)	Number of shares	Total proceeds	Liability component (refer note)	Equity component*
At 1 April 2021	18,770,307	1,877	624	1,407
Accretion during the year	-	-	76	0
At 31 March 2022	**18,770,307**	**1,877**	**701**	**1,407**
Accretion during the year	-	-	85	-
At 31 March 2023	**18,770,307**	**1,877**	**785**	**1,407**

Terms/rights attached to preference shares

0.0001% redeemable non cumulative preference shares (RNCPS)

ReNew Wind Energy (Karnataka) Private Limited which is a part of the Restricted Group issued 7,000,000 0.001% redeemable non cumulative preference shares (RNCPS) in FY 2012-13, 419,187 redeemable non cumulative preference shares (RNCPS) in FY 2014-15, 2,800,620 redeemable non cumulative preference shares (RNCPS) in FY 2015-16 and 8,550,500 redeemable non cumulative preference shares (RNCPS) in FY 2016-17 of INR 10 each fully paid-up at a premium of INR 90 per share. RNCPS carry non cumulative dividend @ 0.001%. If declared, the Restricted Group entities will pay dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company forming part of the Restricted Group is subject to the approval of the shareholders in the ensuing Annual General Meeting.

RNCPS do not carry voting rights and are fully transferable. The RNCPS shall be redeemed at INR 100 per share at the end of 15th year from the date of issue i.e. 4,000,000 preference shares in October 2027, 3,000,000 preference shares in March 2028, 419,187 preference shares in June 2029, 2,717,120 preference shares in August 2030, 15,000 preference shares in January 2031, 68,500 preference shares in March 2031 and 8,550,500 preference shares in March 2035 or such other extended term as may be determined by the Board of the respective Company in one or more tranches.

In the event of Liquidation of a Company forming part of the Restricted Group, the RNCPS shall be entitled to receive an amount that is equal to the face value of RNCPS. The RNCPS shall also have right to participate in surplus assets & funds of the respective Company available for distribution to holders of RNCPS and equity shares based on the numbers of equity shares held by each shareholder, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of INR 90 per preference share.

13E Shares held by the Holding Company

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Renew Power Private Limited*				
Equity shares of INR 10 each	26,829,126	268	26,829,126	268
0.0001% redeemable non cumulative preference shares of INR 10 each	18,770,307	188	18,770,307	188
0.0001% compulsorily convertible preference shares of INR 10 each	17,514,000	175	17,514,000	175
ReNew Solar Power Private Limited*				
Equity shares of INR 10 each	8,362,941	84	8,362,941	84
0.0001% compulsorily convertible preference shares of INR 10 each	9,400,000	94	9,400,000	94
0.0001% compulsorily convertible preference shares of INR 100 each	2,519,043	25	2,519,043	25

*for details of relationship with the respective entities of the Restricted Group refer note 30.

13F Shares held by the other subsidiaries of the parent company of the Company

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
ReNew Wind Energy (Karnataka Five) Private Limited, fellow subsidiary of the ReNew Wind Energy (Karnataka) Private Limited				
Equity shares of INR 10 each	100	0	100	0

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(Amounts in INR millions, unless otherwise stated)

13G Details of shareholders holding more than 5% shares in the Restricted Group

	As at 31 March 2023		As at 31 March 2022	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
ReNew Solar Power Private Limited*	8,362,941	23.73%	8,362,941	23.73%
ReNew Power Private Limited*	26,829,126	76.13%	26,829,126	76.13%
0.0001% redeemable non cumulative preference shares of INR 10 each				
ReNew Power Private Limited*	18,770,307	100.00%	18,770,307	100.00%
0.0001% compulsorily convertible preference shares of INR 10 each				
ReNew Solar Power Private Limited*	9,400,000	34.93%	9,400,000	34.93%
ReNew Power Private Limited*	17,514,000	65.07%	17,514,000	65.07%
0.0001% compulsorily convertible preference shares of INR 100 each				
ReNew Solar Power Private Limited*	2,519,043	100.00%	2,519,043	100.00%

*for details of relationship with the respective entities of the Restricted Group refer note 30.

13H Aggregate number of Bonus shares issued during the period of five years immediately preceeding the reporting date

	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	Number	Amount
Equity shares of INR 10 each**	650,000	7	650,000	7

** Equity shares alloted as fully paid bonus shares by capitalisation of seurities premium

As per the records of the entities forming part of the Restricted Group, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

14 Other equity

14A Securities premium

At 1 April 2021	5,552
At 31 March 2022	**5,552**
At 31 March 2023	**5,552**

14B Debenture redemption reserve

At 1 April 2021	5
Amount transferred from surplus balance in retained earnings	260
At 31 March 2022	**265**
Amount transferred from surplus balance in retained earnings	331
At 31 March 2023	**596**

Nature and purpose
Securities premium is used to record the premium on issue of shares. The amount can be utilised only for limited purposes such as issuance of bonus shares etc. in accordance with the provisions of the Companies Act, 2013.

14C Retained earnings

At 1 April 2021	544
Profit for the period	941
Appropriation for debenture redemption reserve	(260)
At 31 March 2022	**1,224**
Profit for the period	535
Appropriation for debenture redemption reserve	(331)
At 31 March 2023	**1,428**

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(Amounts in INR millions, unless otherwise stated)

15 Long-term borrowings

	Nominal interest rate %	Maturity	Non-current 31 March 2023	Non-current 31 March 2022	Current 31 March 2023	Current 31 March 2022
Compulsorily Convertible Debentures (unsecured) (refer note 13C)	12.46%	July 2035	192	177	-	-
Non Convertible Debentures (secured)	6.03%	22 August 2026	35,414	34,071		
Liability component of preference shares (secured) (refer note 13D)	11.53%	March 2035	785	705	-	-
Total long-term borrowings			**36,391**	**34,952**	**-**	**-**
Amount disclosed under the head 'Short term borrowings' (Refer note 19)			-	-	-	-
			36,391	**34,952**	**-**	**-**

Notes:

(i) Compulsorily Convertible Debentures (unsecured)
Compulsorily Convertible Debentures (CCD) are compulsorily convertible into equity shares in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein. CCD do not carry any voting rights.

(ii) Non Convertible Debentures (secured)
The debentures are secured by way of first pari passu charge on the Company’s immovable properties, movable assets, current assets, cash accruals including but not limited to current assets, receivables, book debts, cash and bank balances, loans and advances etc. present and future.

(iii) Non convertible debentures are repayable in one bullet payment in August 2026.

(iv) These bonds have been issued based on the collective net worth of all entities forming part of the Restricted Group and further all these entities have jointly and severally guranteed the issue.

(v) All the loans are covered by corporate guarantee of ReNew Power Private Limited.

(vi) ReNew Power Private Limited, the Holding Company, has pledged 24,211,033 (31 March 2022: 24,211,033) equity shares and 34,669,726 (31 March 2022: 34,669,726) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(vii) ReNew Solar Power Private Limited, the Holding Company of ReNew Solar Energy (Karnataka) Private Limited and ReNew Solar Energy (TN) Private Limited, has pledged 4,265,100 (31 March 2022: 4,265,100) equity shares and 1,284,712 (31 March 2022: 1,284,712) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

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(Amounts in INR millions, unless otherwise stated)

16 Long-Term Provisions

	As at 31 March 2023	As at 31 March 2022
Provision for decommissioning costs	1,622	1,377
Total	**1,622**	**1,377**

	Provision for Decommissioning costs
As at 1st April 2021	1,506
Adjustment during the year (refer note 4)	(212)
Unwinding of discount and changes in discount rate (refer note 27)	83
As at 1st April 2022	**1,377**
Arised during the year (refer note 4)	150
Unwinding of discount and changes in discount rate (refer note 27)	95
As at 31st March 2023	**1,622**

17 Lease liabilities

	As at 31 March 2023	As at 31 March 2020
Non-current		
Lease liabilities (refer note 28)	1	1
	1	**1**
Current		
Lease liabilities (refer note 28)	0	0
Total	**0**	**0**

18 Other non-current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Provision for operation and maintenance equalisation	113	164
Total	**113**	**164**

19 Short term borrowings

	As at 31 March 2023	As at 31 March 2022
Working capital term loan (secured)	655	-
Loan from related party (unsecured) (refer note 30)	3,204	136
Total	**3,859**	**136**

Working capital term loan (secured)
The term loan from bank carries interest @ 8.94% p.a.. The same is repayable with a bullet payment on February 16, 2024. It is secured by first charge by way of hypothecation entire movable properties of the borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other movable properties, book debts, operating cash flows, receivables, commission and revenues, all other current assets, intangible assets, goodwill, uncalled up capital except project assets.

Loan from related party (unsecured)
Unsecured loan from related party is repayable on demand and carries interest at 8.00% per annum.

20 Trade payables

	As at 31 March 2023	As at 31 March 2022
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 37)	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	635	647
Total	**635**	**647**

Trade Payables aging schedule
As at 31 March 2023

Particulars	0 to 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	136	378	68	17	36	635
(iii) Disputed dues of micro enterprises and small enterprises		-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-

As at 31 March 2022

Particulars	0 to 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	618	26	1	2	647
(iii) Disputed dues of micro enterprises and small enterprises						-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

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(Amounts in INR millions, unless otherwise stated)

21 Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Others		
Interest accrued but not due on borrowings	37	25
Interest accrued but not due on debentures	214	214
Capital creditors	170	180
Provision for operation and maintenance equalisation	50	57
Total	**471**	**477**

22 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Other payables		
TDS payable	35	46
GST payable	1	4
Advance from customers	0	0
Total	**36**	**50**

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(Amounts in INR millions, unless otherwise stated)

23 Revenue

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of power	5,351	5,102
Income from sale of renewable energy certificates	87	44
Total	**5,438**	**5,146**

The Company during the year ended 31 March 2023 recognised impairment losses on receivables arising from contracts with customers amounting to INR 404 (31 March 2022: INR 241).

a)The location for all of the revenue from contracts with customers is India.
b)The timing for all of the revenue from contracts with customers is over time
c)There are no other material differences between the contracted price and revenue from contracts with customers.

24 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
- on fixed deposit with banks	36	8
- on loan to related parties (refer note 30)	1,164	924
- income tax refund	-	7
- others	-	0
Government grant		
- generation based incentive	254	256
Compensation for loss of revenue (refer note Provisions written back)	181	-
Profit on sale of property, plant & equipments	-	4
Income from sale of carbon credit	112	440
Insurance claim	31	8
Unwinding of financial assets	22	-
Fair value change of mutual fund (including realised gain)	2	-
Miscellaneous income	9	21
Total	**1,811**	**1,668**

25 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional fees	25	27
Corporate social responsibility	17	11
Travelling and conveyance	5	4
Rent	0	-
Printing and stationery	0	0
Management shared services	125	182
Rates and taxes	20	25
Payment to auditors (refer details below)*	4	4
Insurance	64	65
Operation and maintenance	626	559
Repair and maintenance		
- plant and machinery	10	10
- Others	1	2
Guest house expenses	5	5
Security charges	2	5
Communication costs	7	3
Impairment allowance for financial assets	177	95
Impairment of Inventory	88	-
Miscellaneous expenses	6	46
	1,182	**1,043**

***Payment to Auditors**	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
Audit fee	4	4
In other capacity:		
Certification fees	0	0
Reimbursement of expenses	0	0
	4	**4**

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(Amounts in INR millions, unless otherwise stated)

26 Depreciation & amortisation expense	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Depreciation of property, plant & equipment (refer note 4)	962	969
Amortisation of intangible assets (refer note 5)	0	1
Depreciation of right of use assets (refer note 5A)	1	1
Total	**963**	**971**

27 Finance costs	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Interest expense on		
- loan from related party (refer note 30)	14	24
- on working capital demand loan	7	-
- debentures	3,599	2,966
- liability component of compulsorily convertible debentures	16	16
- liability component of redeemable non-cumulative preference shares	85	76
- Interest on lease land	0	0
- Loss on account of modification of contractual cash flows (refer note (i) below)	54	-
- Others	6	8
Bank charges	8	4
Unwinding of discount on provisions	95	83
Total	**3,884**	**3,177**

(i) Modification of contractual cash flows

The Ministry of Power vide Gazette Notification dated June 3, 2022, notified “The Electricity (Late Payment Surcharge and Related Matters) Rules, 2022” (LPS rules). These rules provide a mechanism for settlement of outstanding dues of Generating Companies, Inter-State Transmission Licensees and Electricity Trading Licensees.

The entities forming part of the restricted Group's customers availing this scheme shall pay the outstanding receivables due to the Group in equated monthly instalments without interest. Accordingly, the entities forming part of the restricted Group has recorded the modification in terms of the contract and the resultant loss primarily due to the extended interest free credit period has been recognised as a finance cost in the statement of profit or loss.

Unwinding income on these trade receivables of INR 22 is recognised under Other income.

Trade receivables outstanding of INR 1,700 as of March 31, 2023, from customers opting for EMI pursuant to LPS Rules, which are not due within the next twelve months from the end of the reporting date, are disclosed as non-current.

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(Amounts in INR millions, unless otherwise stated)

28 Leases

The entities forming part of the Restricted Group has entered into leases for its offices and leasehold lands. These leases generally have lease terms of 5 to 35 years.
The entities forming part of the Restricted Group also has certain leases of regional offices and office equipment with lease terms of 12 months or less and lease of office equipments with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application is 10.40%.

Set out below are the carrying amounts of lease liabilities and the movements

Particulars	**Amount**
As at 1 April 2021	1
Accretion of interest	0
Balance as on 31 March 2022	**1**
Accretion of interest	0
Balance as on 31 March 2023	**1**

a) There are no restrictions or covenants imposed by leases.
b) Refer note 25 for rental expense recorded for short-term leases and low value leases For the year ended 31 March 2023 and 31 March 2022.
c) There are no amounts payable toward variable lease expense recognised For the year ended 31 March 2023 and 31 March 2022.
d) The maturity analysis of lease liabilities are disclosed in note 35.
e) There are no leases which have not yet commenced to which the lessee is committed (if any)

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29 Earnings per share (EPS)

The Special Purpose Combined Financial Statements do not represent legal entity structure and are aggregated for a specific purpose. Accordingly, Earnings Per Share (EPS) on aggregated number of shares has not been disclosed.

30 Related Party Disclosures

a) Names of related parties and related party relationship

The names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationship as identified by the management are:

I. Holding Company :

Name of entity	Holding Company
ReNew Wind Energy (Karnataka) Private Limited	ReNew Power Private Limited
ReNew Wind Energy (MP Two) Private Limited	ReNew Power Private Limited
ReNew Wind Energy (Rajkot) Private Limited	ReNew Power Private Limited
ReNew Wind Energy (Shivpur) Private Limited	ReNew Power Private Limited
ReNew Wind Energy (Welturi) Private Limited	ReNew Power Private Limited
ReNew Solar Energy (TN) Private Limited	ReNew Solar Power Private Limited*
ReNew Solar Energy (Karnataka) Private Limited	ReNew Solar Power Private Limited*

*ReNew Solar Power Private Limited is a 100% subsidiary of ReNew Power Private Limited .

II. Intermediate Holding Company

ReNew Power Private Limited (w.e.f 23 August 2021)

II. Ultimate Holding Company

ReNew Energy Global Plc (w.e.f 23 August 2021)
ReNew Power Private Limited (till 22 August 2021)

III. Key management personnel (KMPs) :

Mr. Sumant Sinha, Chairman and Managing Director of ReNew Power Private Limited.

IV. Fellow subsidiaries with whom transactions occurred during the year:

ReNew Wind Energy (TN 2) Private Limited
ReNew Wind Energy (Karnataka 3) Private Limited
ReNew Sol Energy (Jharkhand Five) Private Limited
ReNew Sol Energy (Jharkhand Four) Private Limited
ReNew Sol Energy (Jharkhand Three) Private Limited
ReNew Power Services Private Limited
ReNew Sol Energy (Jharkhand One) Private Limited
ReNew Saur Shakti Private Limited
ReNew Clean Energy Private Limited
ReNew Saur Urja Private Limited
ReNew Solar Energy (Telangana) Private Limited
ReNew Akshay Urja Limited
ReNew Wind Energy (AP) Private Limited
ReNew Wind Energy (Devgarh) Private Limited
ReNew Vayu Urja Private Limited
ReNew Wind Energy (Karnataka Five) Private Limited
ReNew Wind Energy (Karnataka Two) Private Limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Wind Energy (Sipla) Private Limited
ReNew Wind Energy (Rajasthan One) Private Limited
ReNew Wind Energy (AP 3) Private Limited
ReNew Wind Energy (Varekarwadi) Private Limited
ReNew Wind Energy (Rajasthan) Private Limited
ReNew Wind Energy MP Private Limited
ReNew Solar Urja Private Limited
ReNew Surya Alok Private Limited
Prathamesh Solarfarms Limited
ReNew Solar Energy (Karnataka Two) Private Limited
AVP Powerinfra Private Limited
Ostro Andhra Wind Private Limited
ReNew Wind Energy (Jath) Limited
ReNew Wind Energy (Delhi) Private Limited
Ostro Energy Private Limited
Star Solar Power Private Limited
Ostro Kutch Wind Private Limited
ReNew Wind Energy (Orissa) Private Limited
ReNew Wind Energy (AP 4) Private Limited
ReNew Wind Energy (Maharashtra) Private Limited
ReNew Wind Energy (Karnataka 4) Private Limited
ReNew Wind Energy (Budh 3) Private Limited
ReNew Services Private Limited
Ostro Urja Wind Private Limited
Ostro AP Wind Private Limited
ReNew Wind Energy (Rajasthan 3) Private Limited
Abha Sunlight Private Limited
Bidwal Renewable Private Limited
ReNew Wind Energy (AP 2) Private Limited
ReNew Solar Services Private Limited
Abha Solarfarms Limited
Tarun Kiran Bhoomi Private Limited
ReNew Agni Power Private Limited
Sungold Energy Private Limited
ReNew Mega Solar Power Private Limited
Molagavalli Renewable Private Limited
Helios Infratech Private Limited
Ostro Dakshin Power Private Limited
ReNew Energy Markets Private Limited
Sunworld Solar Power Private Limited
ReNew Green Energy Solutions Private Limited
ReNew Wind Energy (TN) Private Limited

V. Enterprise with significant influence

Name of entity	Enterprise with significant influence
ReNew Solar Energy (Karnataka) Private Limited	Hareon Solar Singapore Private Limited

(Amounts in INR millions, unless otherwise stated)

b) Details of transactions with holding Company:

Particulars	ReNew Power Private Limited		ReNew Solar Power Private Limited	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
Unsecured loan given to related party	5,361	1,105	-	-
Unsecured loan repaid by related party	8	74	-	-
Unsecured loan received	3,068	515	-	-
Unsecured loan repaid	-	497	-	-
Expense incurred on behalf of the company	0	0	-	7
Expenses incurred on behalf of the holding company	0	19	-	11
Reimbursement of expenses	6	21	-	-
Purchase of services*	82	110	37	45
Payment of purcshase of services	120	-	-	-
Liability component of preference shares	80	81	-	-
Interest income on unsecured loan	1,068	805	-	-
Interest expense on unsecured loan	5	139	9	9

* Purchase of services include provision during the previous year

c) Details of outstanding balances with holding Company:

Particulars	ReNew Power Private Limited		ReNew Solar Power Private Limited	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Unsecured loan payable	3,087	19	118	118
Unsecured loan receivable	15,865	10,511	-	-
Trade payables*	128	125	121	86
Capital creditor	1	1	0	0
Liability component of preference shares	785	705	-	-
Interest income accrued on unsecured loan	1,276	768	-	-
Interest expense accrued on unsecured loan	5	3	33	23
Recoverable from related parties	1	25	-	-

* Trade payables include provision during the previous year

d) Details of transactions with fellow subsidiaries:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Unsecured loan repayment received	11	0
Interest income on unsecured loan given	131	131
Expense incurred by fellow subsidiary on behalf of the company	18	115
Expense incurred on behalf of fellow subsidiary	31	1
Share application money pending for allotment	3,030	-
EPC Purchase	-	6
Power Receipt	2	-
Consumable Purchases	67	37
Operation & maintenance*	187	-
Payment of Operation & maintenance	283	-
Consumables Sales	60	35

ReNew Power Private Limited (the "Holding Company") and ReNew Solar Power Private Limited (fellow subsidiary) have charged certain common expenses to entities forming part of Restricted Group on the basis of its best estimate of expenses incurred for entities forming part of Restricted Group and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted is most appropriate basis for recovering of such common expenses.

e) Details of outstanding balances with fellow subsidiaries:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade payable*	103	180
Capital creditor	32	32
Recoverable from related parties	563	539
Share application money pending for allotment	3,030	-
Interest Income accrued on unsecured loan given	1,227	1,109
Unsecured loan given	1,630	1,641

* Trade payable include provision 2023 INR Nil (31 March 2022 INR 40)

f) Compensation of Key management personnel

Remuneration to the key managerial personnel is paid by the Holding Company and fellow subsidiary (ReNew Solar Power Private Limited) and is allocated between the respective entities part of the Restricted Group as management shared services and is not separately identifiable.

g) All the loans are covered by corporate guarantee of ReNew Power Private Limited, Holding Company.

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(Amounts in INR millions, unless otherwise stated)

31 Segment Information

The managing director of ReNew Power Private Limited takes decisions in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be the Chief Operating Decision Maker (CODM).

The Restricted Group discloses segment information in a manner consistent with internal reporting to group's Managing Director. The entities forming part of the Restricted Group have segments based on type of business operations. The reportable segments of Restricted Group under Ind AS are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Restricted Group entities does not operate in more than one geographical segment. The Restricted Group discloses in the segment information operating profit, comparable operating profit and comparable EBITDA.

No Operating segment has been aggregated to form the above reportable operating segments. Further, total assets and liabilities balances for each reportable segment are not reviewed by or provided to CODM.

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	Wind Power	**Solar Power**	**Total**	**Wind Power**	**Solar Power**	**Total**
Sale of power and sale of renewable energy certificates	4,088	1,350	5,438	3,886	1,260	5,146
Revenues from operations	**4,088**	**1,350**	**5,438**	**3,886**	**1,260**	**5,146**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**4,088**	**1,350**	**5,438**	**3,886**	**1,260**	**5,146**
Other Income	1,464	792	2,256	1,424	572	1,995
Total income	**5,552**	**2,142**	**7,694**	**5,310**	**1,832**	**7,142**
Less: Cost of raw material and components consumed	-	244	244	-	-	-
Less: Other expenses	937	245	1,182	843	199	1,042
Earning before interest, tax, depreciation and amortization (EBITDA)	**4,615**	**1,653**	**6,268**	**4,466**	**1,633**	**6,100**
Less: Depreciation & amortisation expense			963			971
Less: Finance cost			3,884			3,177
Profit before tax			**1,421**			**1,951**

The Revenues from three major customers amounts to INR 4,068 (31 March 2022: three customers INR 2,883) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 2,718 (31 March 2022: INR 1,623) and Solar Segment amounts to INR 1,350 (31 March 2022: INR 1,260).

32 Commitments, liabilities and contingencies
(to the extent not provided for)

(i) Contingent liabilities
The entities forming part of the Restricted Group have following contingent liability:

Description	**As at March 31, 2023**	**As at March 31, 2022**
VAT, GST, service tax, entry tax matters	27	-
Income tax disallowances/demands under litigation	41	-
Others*	68	-
Total	**136**	**-**

* Based on evaluations of the matters and legal view, the Company believes that it has strong merits in its favour. Accordingly, no provision is considered at this stage.

(ii) Commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2023, the entities forming part of the Restricted Group have no capital commitment (net of advances). (31 March 2022: INR Nil).

Guarantees
The entities forming part of Restricted Group have obtained guarantees from financial institutions as a part of the bidding process for establishing renewable projects. Further,the entities forming part of Restricted Group issues irrevocable performance bank guarantees in relation to its obligation towards construction and transmission infrastructure of renewable power projects plants as required by the PPA and such outstanding guarantees are INR Nil as at 31 March 2023 (31 March 2022 : INR 719).

The terms of the PPAs provide for the delivery of a minimum quantum of electricity at fixed price.

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(Amounts in INR millions, unless otherwise stated)

33 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the entities forming part of the Restricted Group:

	31 March 2023		31 March 2022	
	Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial assets				
Measured at amortised cost				
Bank deposits with remaining maturity for more than twelve months	0	0	0	0
Trade receivables	2,289	2,289	6,726	6,726
Cash and cash equivalent	741	741	939	939
Bank balances other than cash and cash equivalent	1,142	1,142	234	234
Loans- current	17,494	17,494	12,158	12,158
Other current financial assets	3,159	3,159	2,618	2,618
Financial liabilities				
Measured at amortised cost				
Compulsorily Convertible Debentures (unsecured)	192	192	177	177
Non Convertible Debentures	35,414	29,786	34,071	32,420
Liability component of preference shares (secured)	785	785	705	705
Short-term borrowings	3,859	3,859	136	136
Trade payables	635	635	647	647
Other current financial liabilities	471	471	477	477

The management of the entities forming part of the Restricted Group assessed that cash and cash equivalents, bank balances other than cash and cash equivalent, trade receivables, loans- current, short-term borrowings, trade payables, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

i The fair values of the entities forming part of the Restricted Group's Non Convertible Debentures including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. The own non-performance risk as at 31 March 2023 was assessed to be insignificant.

ii The fair value of unquoted instruments, such as liability component of compulsorily convertible debentures and Liability component of preference shares are estimated by discounting future cash flows using effective interest rate, credit risk and remaining maturity.

iii The fair values of the entities forming part of the Restricted Group's security deposits, loans to related parties and bank deposits with remaining maturity for more than twelve months are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the lending rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

34 Fair value hierarchy

There are no financial assets and liablities which are measured at fair value as at 31 March 2023 and 31st March 2022

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(Amounts in INR millions, unless otherwise stated)

35 Financial Risk Management objectives and policies

The Restricted Group's principal financial liabilities comprise loans and borrowings, trade payables and other financial liabilities.
The main purpose of these financial liabilities is to finance the Restricted Group's operations and to support its operations. The Restricted Group's financial assets include loans, trade and other receivables, and cash and cash equivalents and other financial assets.

The Restricted Group is exposed to market risk, credit risk and liquidity risk. The Restricted Group's senior management oversees the management of these risks. The Restricted Group's senior management is supported by a various sub committees that advises on financial risks and the appropriate financial risk governance framework for the Restricted Group. These committees provides assurance to the Restricted Group's senior management that the Restricted Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Restricted Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below.

Market Risk

Market risk is the risk that the Restricted Group's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.
The sensitivity analyses in the following sections relate to the position as at 31 March 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2023.

Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entities forming part of the Restricted Group have fixed interest bearing external borrowings and hence not exposed to interest rate risks.

Foreign Currency Risk:

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entities forming part of the Restricted Group do not have any foreign currency exposures as on 31 March 2023 and 31 March 2022. In case of foreign currency exposures, the entities forming part of the Restricted Group monitor that the hedges do not exceed the underlying foreign currency exposure. The entities forming part of the Restricted Group do not undertake any speculative transactions.

Credit Risk

Credit risk from balances with banks is managed by treasury department of the entities forming part of the Restricted Group. Investments, in the form of fixed deposits, loans and other investments, of surplus funds are made only with banks and group companies and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the entities forming part of the Restricted Group, and may be updated throughout the year subject to approval of respective entities finance committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Further the entities forming part of the Restricted Group sought to reduce counterparty credit risk under our long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.

The maximum credit exposure to credit risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amount of all the financial assets.

Trade Receivables

Customer credit risk is managed basis established policies of the entities forming part of the Restricted Group, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The entities forming part of the Restricted Group do not hold collateral as security.

The entities forming part of the Restricted Group have state utilities/government entities as it's customers with high credit worthiness, therefore, the entities forming part of the Restricted Group do not see any risk related to credit. The credit quality of the customers other than state utilities/government entities is evaluated based on their credit ratings and other publicly available data.

Trade Receivables Ageing Schedule

As at 31 March 2023

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	798	890	1,507	75	690	3,960
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled dues	434	-	-	-	-	-	434
Gross carrying amount	**434**	**798**	**890**	**1,507**	**75**	**690**	**4,394**
Expected credit loss	-	151	34	165	49	5	404

As at 31 March 2022

Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,483	1,545	160	133	252	3,572
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	385	974	987	835	3,181
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled dues	419	-	-	-	-	-	419
Gross carrying amount	**419**	**1,483**	**1,931**	**1,133**	**1,119**	**1,087**	**7,172**
Expected credit loss	-	55	64	54	50	18	241

Financial instruments and credit risk

Credit risk from balances with banks is managed by group's treasury department. Investments, in the form of fixed deposits, of surplus funds are made only with banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the respective entity forming part of the Restricted Group, and may be updated throughout the year subject to approval of group's finance committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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(Amounts in INR millions, unless otherwise stated)

Liquidity Risk

Liquidity risk is the risk that the entities forming part of the the Restricted Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the entities forming part of the Restricted Group to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.
The entities forming part of the Restricted Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The entities forming part of the Restricted Group have access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The entities forming part of the Restricted Group rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind power plants and related assets. Our non-recourse financing is designed to limit cross default risk to the Parent Company or other subsidiaries and affiliates. Our non-recourse long-term debt is a combination of fixed and variable interest rate instruments. External commercial borrowings which are at variable rate is fixed through the use of cross currency interest rate swaps. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. In certain cases, the currency is matched through the use of derivative instruments. The majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

The table below summarizes the maturity profile of financial liabilities of Restricted Group based on contractual undiscounted payments:

Period ended 31 March 2023	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings						
Compulsorily convertible debentures	-	-	-	-	192	**192**
Redeemable non cumulative preference shares	-	-	-	-	785	**785**
Non Convertible Debentures (secured)	-	-	-	46,929	-	**46,929**
Short term borrowings						
Loans from related party	3,204	-	655	-	-	**3,859**
Lease Liabilities	-	-	0	0	1	**1**
Other financial liabilities						
Current maturities of long term borrowings*	-	-	1,864	-	-	**1,864**
Interest accrued but not due on borrowings	37	-	-	-	-	**37**
Interest accrued but not due on debentures	-	214	-	-	-	**214**
Capital Creditors	33	137	-	-	-	**170**
Trade payable						
Trade payable	352	283	-	-	-	**635**

* Including future interest payments.

The entities forming part of the Restricted Group expect liabilities with current maturities to be repaid from net cash provided by operating activities of the entity to which the debt relates or through opportunistic refinancing activity or some combination thereof.

Year ended 31 March 2022	**On demand**	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**More than 5 years**	**Total**
Borrowings						
Redeemable non cumulative preference shares	-	-	-	-	705	**705**
Senior Secured Bonds*	-	-	-	35,843	-	**35,843**
Short term borrowings						
Loans from related party	136	-	-	-	-	**136**
Lease liabilities		-	0	0	1	**1**
Other financial liabilities						
Current maturities of long term borrowings*	-	-	2,936	-	-	**2,936**
Interest accrued but not due on borrowings	25	-	-	-	-	**25**
Interest accrued but not due on borrowings	-	214	-	-	-	**214**
Capital Creditors	33	147	-	-	-	**180**
Trade payable						
Trade payable	305	342	-	-	-	**647**

* Including future interest payments.

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(Amounts in INR millions, unless otherwise stated)

36 Capital management

For the purpose of the capital management by the respective entities forming part of the Restricted Group, capital includes issued equity capital, compulsory convertible preference shares, compulsory convertible debentures, share premium and all other equity reserves attributable to the equity holders of the respective entities forming part of the Restricted Group. The primary objective of the respective entities forming part of the Restricted Group's capital management is to maximise the shareholder value.

The entities forming part of the the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

To maintain or adjust the capital structure, respective entities forming part of the Restricted Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The respective entities forming part of the Restricted Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The respective entities forming part of the Restricted Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short-term deposits.

The policy of the respective entities forming part of the Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with industry rate. In the construction phase the entities forming part of Restricted Group manages the ratio at 3:1 through internal funding.

In order to achieve this overall objective, the capital management by the respective entities forming part of the Restricted Group, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2023.

37 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/period	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year/period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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38 Significant accounting judgments, estimates and assumptions

The preparation of Combined financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The entities forming part of the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the entities forming part of the Restricted Group. Such changes are reflected in the assumptions when they occur.

A) Estimates and assumptions:

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 33 and 34 for further disclosures.

Related party transactions

The entities forming part of the Restricted Group have entered into certain transaction with other related parties outside the Restricted Group as explained below :

Management Shared Services

Employee benefit costs and other common expenses are incurred by ReNew Power Private Limited (the "Holding Company") and ReNew Solar Power Private Limited (fellow subsidiary). These expenses are allocated to all the entities forming part of the Restricted Group in the form of 'Management Shared Services'. Allocation of cost to the entities involves various estimates including retention, allocation of cost for projects under construction vis-a-vis operating projects, profit mark-up which are assessed through an external expert.

Inter-group unsecured loan

The entities forming part of the Restricted Group uses unsecured loans from other group entities to fund its requirements. These loans carry interest rate higher than a return expected from 10-year government bond yield.

Financial instrument

The entities forming part of the Restricted Group makes inter-group investments in the form of RNCPS. These investment carries interest at a nominal rate and are accounted for as compound financial instruments under Ind AS 32. The rate used for discounting the future cash flows approximate the average market interest rate of borrowings availed by the entities forming part of the Restricted Group.

39 Certain entities forming part of Restricted Group (the "AP entities") have entered into long-term Power Purchase Agreements ("PPAs") having a cumulative capacity of 180 MWs (wind and solar energy projects) with Southern Power Distribution Company of Andhra Pradesh Limited i.e. the distribution company of Andhra Pradesh ("APDISCOM"). These PPAs have a fixed rate per unit of electricity for the 25-year term. With regard to aforementioned PPAs, certain litigations as described below are currently underway:

a. In terms of the Generation Based Incentive ("GBI") scheme of the Ministry of Renewable Energy ("MNRE"), the AP entities accrue income based on units of power supplied under the aforementioned PPAs. Andhra Pradesh Electricity Regulatory Commission ("APERC") vide its order in July 2018 allowed APDISCOMS to interpret the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff Determination for Wind Power Projects) Regulations, 2015 ("Regulations") in a manner to treat GBI as a pass through in the tariff.

The AP entities filed writ petition before the Andhra Pradesh High Court ("AP High Court") challenging the vires of the regulation and the order by APERC and were granted an interim stay order in August 2018. As at 31 March 2023 and 2022 the cumulative amount recoverable from the APDISCOM pertaining to period from February 2017 till July 2018, included in trade receivables amounts to INR 126 (31 March 2022 : INR 126). The AP entities have filed an interim application in AP High Court seeking payment of amount wrongfully deducted by the APDISCOM.

The management basis legal opinion obtained by it and the practice followed consistently in other states, believes that the GBI benefit is over and above the applicable tariffs and the APERC does not have jurisdiction to interfere with the intent of GBI scheme. Therefore the outstanding amount is recoverable and continues to be recognised in the consolidated financial statements.

b. The Government of Andhra Pradesh (the "GoAP") issued an order (the "GO") dated 1 July 2019 constituting a High-Level Negotiation Committee (the "HLNC") for review and negotiation of tariff for wind and solar energy projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 11 July 2019 and 12 July 2019 to the AP entities, requesting for revision of tariffs entered into in PPAs. The AP entities filed a writ petition on 23 July 2019 before the AP High Court ("AP High Court) challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court issued its order dated September 24, 2019 enumerating the following:

i. Writ petition is allowed, and both GO and the subsequent letters are set aside.
ii. Further, APDISCOM were instructed to honour pending and future bills and pay the same at the interim rate of Rs. 2.43 per unit till determination of Original Petition (O.P.) No. 17 of 2018 pending before APERC.
iii. Andhra Pradesh Electricity Regulatory Commission (the "APERC") to dispose off the case within a time frame of six months.

The AP Entities filed a Writ Appeal before the division bench of the AP High Court challenging the jurisdiction of APERC in entertaining O.P. No. 17 of 2018. Parallelly, the AP Entities filed another Writ Appeal before the division bench of the AP High Court challenging AP High Court's direction to the APDISCOM to pay tariff at interim rate till determination of OP No. 17 of 2018 by APERC. Thereafter, certain power generating companies other than ReNew Group filed petitions under Article 139 of the Constitution of India before the Supreme Court seeking transfer of the proceedings pending before the Division Bench of the High Court, and for adjudication of the same by the Supreme Court.

APDISCOM has also filed a Special Leave Petition (the "SLP") in Supreme Court in October 2020 against the Judgment and order dated 19.12.2019 in I.A. No. 9 of 2019 in W.P. No. 9876 of 2019 of another power generating company in the industry, which modified the Order dated September 24, 2019, passed by Single Judge of AP High Court and directed APDISCOM to make payments at the rate mentioned in PPAs. The AP Entities through its Holding Company, ReNew Power Private Limited, has filed an impleadment application in the SLP apprehending that any order or observation of the Supreme Court may have an adverse impact on the Order dated 24.09.2019 and W.A. No. 6 of 2020 and batch pending before Division Bench of the AP High Court.

APDISCOM was directed in order dated October 1, 2021 to pay 50% amount of the outstanding invoices raised till June 30, 2021. APDISCOM did not comply with this order. Thereafter, the next appeal was heard on November 8, 2021 where APDISCOM was given three more weeks to make the said payment. In subsequent hearing held on December 8, 2021, the AP High Court noted that payments have been made upto May 2021 and APDISCOM had sought some more time for payment of the remaining amounts at the interim rate. The AP High Court had directed APDISCOM to make the payments for June 2021 by December 29, 2021 and was asked to file an affidavit with payment schedule for payments for the third and fourth quarter of 2021. The payments so directed by the AP High Court were received in December 2021. Thereafter, by its common final order dated March 15, 2022, the AP High Court allowed the appeals by AP entities and set aside the Order dated September 24, 2019, holding that APERC does not have the jurisdiction to entertain Original Petition (O.P.) No. 17 of 2018 and directing APDISCOM to pay all outstanding amounts to AP Entities within a period of 6 weeks. Thereafter, APDISCOM has filed an application before the AP High Court seeking extension of the period of 6 weeks granted for time for payment of all outstanding amounts. Certain power generation companies have also filed applications before the High Court seeking implementation of the final order dated March 15, 2022.

Subsequently, APDISCOM have undertaken to pay the outstanding receivable amounting to INR 4,132 in 12 monthly instalments as per the mechanism provided for under the Electricity (Late Payment Surcharge and related matters) Rules, 2022 issued by the Ministry of Power, Government of India. Pursuant thereto, APDISCOM have paid 8 out of the 12 instalments, as on March 31, 2023 of all undisputed amounts.

APDISCOM have also filed petitions before the Supreme Court seeking special leave to appeal against the AP High Court's order dated March 15, 2022. The Supreme Court by its Order dated December 14, 2022, has issued notice to the respondents in one of the petitions viz. jurisdiction of the APERC to entertain OP 17 of 2019. Further, the Supreme Court by its common Order dated January 2, 2023, has dismissed two petitions filed against the direction to release all payments. Thereafter, as stated herein above, final hearing had commenced in the matter in the months of May, 2023. The next date of hearing in the matter is awaited.

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AP entities have total outstanding receivables of INR 3,152 as at March 31, 2023 (March 31, 2022: INR 4,686) from sale of electricity against such PPAs [including an amount of INR 202 for GBI receivable as explained in part (a) to the note], which was the subject matter of dispute.

In view of the favourable order by the AP High Court and basis legal opinions obtained by the Company, management believes that it has strong merits in the case and no additional adjustment is required in the consolidated financial statements.

40 Distribution companies of the state of Karnataka issued demand notices to captive users of (ReNew Wind Energy (Karnataka) Private Limited (the "Karnataka Entity") and to the Karnataka Entity, alleging that captive users had not consumed energy in proportion to their respective shareholding in the Karnataka Entity, thereby failing to maintain their Captive Status in accordance with Rule 3 of the Electricity Rules, 2005, and consequently, were liable to pay cross subsidy surcharge and differential between rate of electricity tax applicable on the energy consumed in the entire year.

The Karnataka Entity had deposited a sum of INR 83 (31 March 2021: INR 83) under protest against the demand raised by distribution companies amounting INR 151 (31 March 2021: INR 151) in relation to the demand notices up to financial year ended 31 March 2018. Thereafter, the Karnataka Entity had filed petitions before the Karnataka Electricity Regulatory Commission (the "KERC") contesting these demands. KERC had granted interim relief and stayed the demand notice and disconnection by the distribution companies till final adjudication of the petitions. The amount paid under protest has been accounted for as recoverable and disclosed under head "Other current assets" in the financial statements.

Apart from above, a sum of INR 63 has been demanded by distribution companies from some of the captive users of the Karnataka Entity towards energy supplied till 31 March 2022, alleging that the captive user had not consumed energy in proportion to its respective shareholding in the Karnataka Entity. The Karnataka Entity has filed a writ petition in July, 2019 and August 2020 before the High Court of Karnataka challenging such demands and seeking their quashing. The High Court, vide Orders dated 18 July 2019, 18 December 2019, 18 September 2020 and 06 October 2020, has directed that no precipitative action shall be taken on these demand notices till final adjudication of the petitions.

The Karnataka Entity, based on legal advice obtained, believes that there are merits in its position and that the demand raised by distribution companies would be rescinded by relevant legal authorities and hence no adjustment has been made in the combined financial statements in this regard.

41 There are no employees on the rolls of the entities forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the Unaudited special purpsoe combined financial statements. ReNew Power Private Limited and ReNew Power Services Private Limited have charged certain common expenses to its subsidiary companies and fellow subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies and fellow subsidiaries and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the these companies is most appropriate basis for recovering of such common expenses.

42 Order of the Supreme Court of India to underground high-tension power lines

In 2019, a petition in public interest (the "Writ Petition") was filed before the Supreme Court of India to seek directions to save two protected species of birds in the state of Rajasthan and Gujarat (the 'Birds') stating that these Birds collide with overhead transmission lines and suffer injuries or die. During the current period, on April 19, 2021, the Supreme Court has ordered (the "Order") for all existing and future power lines to be undergrounded, subject to feasibility in case of high-tension power lines. As at 31 March 2023, the company has a total of 25.2 MW of commissioned power projects in the area impacted by the Order.

The Company along with other companies in the industry affected by the Order have filed applications seeking certain modification of the directions passed by the Supreme Court of India, including (i) exemption from undergrounding for existing power projects and (ii) declaration of the cost of undergrounding as a pass-through under the various power purchase agreements. Applications have also been filed by the Ministry of New and Renewable Energy and the Government of Rajasthan, seeking similar modifications. Through Order dated April 21, 2022, the Supreme Court of India directed (i) completion of installation of bird diverters on all overhead transmission lines in the Priority Area identified by the Supreme Court by July 20, 2022 and (ii) all affected projects to approach the Technical Expert Committee appointed by it to seek any exemption from undergrounding and to approach the Supreme Court thereafter in case of any grievance from the decision of the committee.

Pending the evaluation of future legal course of action, impracticability to assess the operational and financial impact under the current scenario and potential recovery of cost from customers, no effect has been given in these financial statements.

43 Absolute amounts less than INR 500,000 are appearing in the Combined Financial Statements as "0" due to presentation in millions.

44 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% change	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	4.50	5.19	-15%	No Major changes
Debt-Equity Ratio	Debt (Amount due to Debenture Holders)	Equity (Equity share capital, share premium, loan from Related party and excluding aunamortized fees)	4.05	3.73	8%	No Major changes
Debt Service Coverage Ratio	(PAT based on Project Revenues realised (excluding non-cash adjustments, if any)+ Depreciation+ Interest (Interest, Guarantee Fees, other financing costs payable under Debenture and Project Documents))	(Interest + Principal Repayment+Guarantee fee)	2.44	2.09	14%	No Major changes
Return on Equity Ratio	Net Profit after taxes -preference dividend	Average shareholder equity	0.06	0.11	-90%	Decrease in net profit
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	7.59	45.00	-493%	Increase in COGS
Trade Recievables Turnover Ratio	Net Credit Sales=Gross Credit sales-sales return	Average Trade Recievables	1.00	0.82	17%	No Major changes
Trade Payable Turnover Ratio	Net Credit Purchases=Gross Credit purchases- purchase return	Average Trade Payables	0.98	0.89	9%	No Major changes
Net Capital Turnover Ratio	Net Sales= Total Sales-sales return	Working Capital=Current assets - Current liabilties	42.67	24.66	42%	Increase in working capital
Net Profit Ratio	Net Profit after tax	Revenue from Operations	0.10	0.18	-86%	Increase in net profit
Return on Capital employed	Earnings before interest and taxes	Capital employed=Tangible net worth+Total Debt+deferred tax liability	0.10	0.10	-7%	No Major changes
Return on Investment	Interest (finance Income)	Investment	0.01	NA		NA

As per our report of even date
For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

per Naman Agarwal
Partner
Membership No.: 502405
Place: Gurugram
Date: 29 July 2023

S. R. BATLIBOI & CO. LLP GURUGRAM

For and on behalf of the Restricted Group

(Kailash Vaswani)
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: 29 July 2023

(Kedar Upadhye)
(Chief Financial Officer)

Place: Gurugram
Date: 29 July 2023

(Ashish Jain)
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 29 July 2023

ReNew Power Private Limited