S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel: +91 124 681 6000

**INDEPENDENT AUDITOR'S REPORT**

To the Members of ReNew Power Private Limited

**Report on the Audit of the Consolidated Ind AS Financial Statements**

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of ReNew Power Private Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its joint controlled entities comprising of the consolidated Balance sheet as at 31 March 2020, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its jointly controlled entities as at 31 March 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group, jointly controlled entities 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 Act 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 consolidated Ind AS financial statements.

**Emphasis of Matter – Litigation**

We draw attention to Note 51 to the Consolidated Financial Statements, related to the recoverability of dues under litigation amounting to Rs. 8,945 million from Southern Power Distribution Company of A.P. Limited by certain subsidiary companies of the Group (the "AP entities"). The AP Entities have filed writ petition and writ appeal before the Hon'ble High Court of Andhra Pradesh related to these matters. Pending the outcome of the cases, which is not presently determinable, no adjustment has been made to the Consolidated Financial Statements. Our opinion is not qualified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended 31 March 2020. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Impairment of Goodwill (as described in note 6 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group's balance sheet includes Rs 11,381 million of goodwill, representing 2% of total Group assets. In accordance with Ind AS, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment.<br><br>The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include:<br><br>- Projected revenue;<br><br>- Projected costs and<br><br>- Discount rates.<br><br>The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. Management has factored impact of COVID-19 on these CGU's.<br><br>The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future performance of the plants which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.</td><td>Our audit procedures included the following:<br><br>• Obtained management's assessment for testing of goodwill for impairment and performed test of design and operating effectiveness of controls through inspection of evidence of performance of these controls.<br><br>• We obtained an understanding of the Group's methodology applied in determining the CGUs to which goodwill is allocated. In making this assessment, we also evaluated the objectivity and independence of Group's internal specialists involved in the process.<br><br>• We evaluated appropriateness of impairment test model prepared by management and the assumptions used by performing the following procedures:<br><br>o benchmarking or assessing key market related assumptions used in the impairment models, including discount rates, long term growth rates, risk free rate of return, weighted average cost of capital;<br><br>o assessing the key drivers of the cash flow forecasts including projected revenue, operation & maintenance cost, management shared service cost, debt equity ratio, cost of debt and equity and salvage value through analysis of actual past performance and comparison to previous forecasts;<br><br>o assessing the recoverable value headroom by performing sensitivity testing of key assumptions used;</td></tr>
</table>

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| | o testing the arithmetical accuracy of the models.<br>• We read and assessed the adequacy of the related disclosures in the consolidated financial statements. |
| **Debt repayment obligations and liquidity** *(as described in note 45(iv) of the consolidated Ind AS financial statements)* | |
| Borrowings are an integral part of the Group's business model as it is the key source of funds used by the business to fund its projects and operations. Borrowings represent the largest liability on the balance sheet. As at March 31, 2020, the Group's borrowings amount to 73% of the balance sheet total and its Debt is to Equity ratio is 78%. Out of total external borrowings, the following are due for repayment over next 12 months:<br>a. INR 20,010 million is the current maturities of long-term borrowings, and<br>b. Various working capital facilities amounting to INR 12,191 million.<br><br>We have identified the Group's ability to service the debt repayment obligations and liquidity as a key audit matter because of the subjective elements such as:<br>• estimate of expected future cash flows,<br>• realization of existing and future receivables,<br>• forecasted results and operational performance, and<br>• expectation around refinancing of existing debt.<br>These estimates are based on assumptions, including expectations of future economic and market developments. | Our audit procedures include the following:<br>• We obtained an understanding of the process followed by the management for preparation of cash flow forecast, inputs used in the model to estimate the future cash flows as well as the sensitivity analysis prepared in this context.<br>• We discussed with management and assessed the assumptions and judgements used in the estimate of future cash flows having regards to past performance and current emerging business trends affecting the business and industry. We did this assessment with reference to budgets and the underlying substantiations.<br>• We assessed the maturity profile of the Group's borrowings to test that loans maturing within the next twelve months were classified in current liabilities.<br>• We obtained an understanding of management's assessment for repayment of obligations due over next 12 months. We compared the repayment obligations with that considered in the future cash flows.<br>• We assessed the Group's ability to refinance its obligation based on the past trends, credit ratings, ability to generate steady cash flows over long term contracts and access to capital.<br>• We also assessed the adequacy of the related disclosures in the financial statements. |

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities 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 the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the companies included in the Group and of its jointly controlled entities are also responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

**Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- 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 ability of the Group and its jointly controlled entities 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 consolidated Ind AS 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 Group and its jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entities of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended 31 March 2020 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

We did not audit the financial statements and other financial information, in respect of 72 subsidiaries, whose Ind AS financial statements include total assets of Rs. 79,636 million as at 31 March 2020, and total revenues of Rs. 10,793 million and net cash inflows of Rs. 1,074 million for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and jointly controlled entities, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled entities, none of the directors of the Group's companies and jointly controlled entities, incorporated in India, is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, its subsidiary companies and jointly controlled entities incorporated in India, refer to our separate Report in "Annexure" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and jointly controlled entities incorporated in India, the managerial remuneration for the year ended 31 March 2020 has been paid / provided by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and jointly controlled entities as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and jointly controlled entities in its consolidated Ind AS financial statements – Refer Note 47(i) to the consolidated Ind AS financial statements;

   ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 50 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group and jointly controlled entities;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India during the year ended 31 March 2020.

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:25:40 +05'30'

**per Amit Chugh**
Partner
Membership Number: 505224
UDIN: 20505224AAAADY5750

Place of Signature: Gurugram
Date: 08 June 2020

**Annexure to the Independent Auditor's Report of even date on the consolidated financial statements of ReNew Power Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of ReNew Power Private Limited as of and for the year ended 31 March 2020, we have audited the internal control financial controls over financial reporting of the ReNew Power Private Limited (hereinafter referred to as the "Holding Company"), its subsidiary companies and jointly controlled entities, which are companies incorporated in India, as of date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India . These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below , is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements**

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its subsidiary companies and jointly controlled entities, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 69 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:25:58 +05'30'

per **Amit Chugh**
Partner
Membership Number: 505224
UDIN: 20505224AAAADY5750

Place of Signature: Gurugram
Date: 08 June 2020

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Balance Sheet as at 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| | Notes | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 | 301,239 | 266,239 |
| Capital work in progress | 5 | 17,901 | 16,273 |
| Goodwill | 6 | 11,381 | 11,381 |
| Intangible assets | 6 | 24,536 | 25,677 |
| Intangible assets under development | 6 | 53 | 6 |
| Right of use assets | 6A | 4,724 | - |
| Investment in jointly controlled entities | 7 | 524 | 489 |
| Financial assets | | | |
| Investment | 8 | 624 | 408 |
| Loans | 8 | 126 | 77 |
| Others | 8 | 142 | 92 |
| Deferred tax assets (net) | 9A | 1,418 | 1,652 |
| Prepayments | 10 | 1,122 | 3,514 |
| Non-current tax assets (net) | | 3,620 | 2,250 |
| Other non-current assets | 11 | 5,662 | 18,797 |
| **Total non-current assets** | | **373,072** | **346,855** |
| **Current assets** | | | |
| Inventories | 12 | 609 | 719 |
| Financial assets | | | |
| Derivative instruments | 13 | 8,718 | 774 |
| Trade receivables | 14 | 26,071 | 19,276 |
| Cash and cash equivalent | 15 | 13,089 | 10,115 |
| Bank balances other than cash and cash equivalent | 15 | 31,203 | 15,385 |
| Loans | 8 | 10 | 20 |
| Others | 8 | 2,718 | 2,151 |
| Prepayments | 10 | 846 | 659 |
| Other current assets | 11 | 1,808 | 2,068 |
| **Total current assets** | | **85,072** | **51,167** |
| **Total assets** | | **458,144** | **398,022** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity share capital | 16A | 3,799 | 3,799 |
| Other equity | | | |
| Securities premium | 17B | 67,165 | 67,165 |
| Capital reserve | 17C | (110) | 114 |
| Debenture redemption reserve | 17D | 2,296 | 4,177 |
| Hedge reserve | 17E | (1,086) | (512) |
| Share based payment reserve | 17F | 1,161 | 1,086 |
| Foreign currency translation reserve | 17G | 12 | (2) |
| Retained earnings | 17H | (5,953) | (3,120) |
| **Equity attributable to owners of the parent** | | **67,284** | **72,707** |
| Non-controlling interests | | 3,810 | 3,628 |
| **Total equity** | | **71,094** | **76,335** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Long-term borrowings | 18 | 323,526 | 253,785 |
| Lease liabilities | 19 | 1,386 | - |
| Deferred government grant | 20 | 810 | 852 |
| Long-term provisions | 21 | 103 | 72 |
| Deferred tax liabilities (net) | 9B | 8,467 | 5,945 |
| Other non-current liabilities | 22 | 2,952 | 2,974 |
| **Total non-current liabilities** | | **337,244** | **263,628** |

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Balance Sheet as at 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| | Notes | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Short-term borrowings | 23 | 12,191 | 20,657 |
| Lease liabilities | 19 | 251 | - |
| Trade payables | 24 | | |
| Outstanding dues to micro enterprises and small enterprises | | 52 | 4 |
| Others | | 3,638 | 3,025 |
| Derivative instruments | 25 | - | 895 |
| Other current financial liabilities | 26 | 31,380 | 31,477 |
| Deferred government grant | 20 | 38 | 39 |
| Other current liabilities | 27 | 2,055 | 1,748 |
| Short-term provisions | 28 | 93 | 67 |
| Current tax liabilities (net) | | 108 | 147 |
| **Total current liabilities** | | **49,806** | **58,059** |
| **Total liabilities** | | **387,050** | **321,687** |
| **Total equity and liabilities** | | **458,144** | **398,022** |

Summary of significant accounting policies 4.1

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

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

**For and on behalf of the Board of Directors of ReNew Power Private Limited (formerly known as ReNew Power Limited)**

AMIT CHUGH Digitally signed by AMIT CHUGH DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in Location: Gurugram Date: 2020.06.08 23:26:24 +05'30'

**per Amit Chugh**
Partner
Membership No.: 505224
Place: Gurugram
Date: 08 June 2020

SUMANT SINHA Digitally signed by SUMANT SINHA Date: 2020.06.08 22:46:29 +05'30'

**Sumant Sinha**
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 08 June 2020

MUTHUKUMARAN DORAISWAMI Digitally signed by MUTHUKUMARAN DORAISWAMI Date: 2020.06.08 22:46:48 +05'30'

**D Muthukumaran**
(Chief Financial Officer)
Place: Gurugram
Date: 08 June 2020

ASHISH JAIN Digitally signed by ASHISH JAIN Date: 2020.06.08 22:59:54 +05'30'

**Ashish Jain**
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: 08 June 2020

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| | Notes | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 29 | 48,415 | 43,144 |
| Other income | 30 | 4,802 | 4,758 |
| **Total income (i)** | | **53,217** | **47,902** |
| **Expenses** | | | |
| Cost of raw material and components consumed | 31 | 530 | 81 |
| Employee benefits expense | 32 | 951 | 1,008 |
| Other expenses | 33 | 7,032 | 5,201 |
| **Total expenses (ii)** | | **8,513** | **6,290** |
| **Earning before interest, tax, depreciation and amortization (i)-(ii)** | | **44,704** | **41,612** |
| Depreciation and amortization expense | 34 | 14,819 | 12,459 |
| Finance costs | 35 | 33,542 | 26,811 |
| **(Loss)/Profit before share of loss of jointly controlled entities and tax** | | **(3,657)** | **2,342** |
| Share in loss of jointly controlled entities | | (53) | (39) |
| **(Loss)/Profit before tax** | | **(3,710)** | **2,303** |
| **Tax expense** | | | |
| Current tax | | 486 | 1,186 |
| Deferred tax | | 872 | 106 |
| Adjustment of tax relating to earlier years | | (42) | (19) |
| **(Loss)/Profit for the year** | **(a)** | **(5,026)** | **1,030** |
| **Other comprehensive income** | | | |
| **Items that will be reclassified to profit or loss in subsequent years:** | | | |
| Net movement on cash flow hedges | | 1,220 | (350) |
| Income tax effect | | (1,856) | 92 |
| | | **(636)** | **(258)** |
| Exchange differences on translation of foreign operations | | 14 | (2) |
| Income tax effect | | - | - |
| | | **14** | **(2)** |
| **Net other comprehensive income that will be reclassified to profit or loss in subsequent years** | **(b)** | **(622)** | **(260)** |
| **Items not to be reclassified to profit or loss in subsequent years:** | | | |
| Re-measurement (loss) / gain of defined benefit plan | | (13) | 14 |
| Income tax effect | | 4 | (4) |
| **Net other comprehensive income not to be reclassified to profit or loss in subsequent years** | **(c)** | (9) | 10 |
| **Other comprehensive income for the year, net of taxes** | **(d)=(b)+(c)** | **(631)** | **(250)** |
| **Total comprehensive income for the year** | **(a)+(d)** | **(5,657)** | **780** |
| **(Loss)/ Profit for the year** | | | |
| **Attributable to:** | | | |
| Equity holders of the parent | | (4,842) | 800 |
| Non-controlling interests | | (184) | 230 |

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| | Notes | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **Total comprehensive income for the year** | | | |
| **Attributable to:** | | | |
| Equity holders of the parent | | (5,411) | 567 |
| Non-controlling interests | | (246) | 213 |
| | | | |
| **Earnings per share:** | | | |
| **(face value per share: INR 10)** | | | |
| **(1)** Basic attributable to equity shareholders of the parent | 36 | (10.55) | 2.11 |
| **(2)** Diluted attributable to equity shareholders of the parent | 36 | (10.55) | 2.07 |
| | | | |
| Summary of significant accounting policies | 4.1 | | |

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

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:26:42 +05'30'

**per Amit Chugh**
Partner
Membership No.: 505224
Place: Gurugram
Date: 08 June 2020

**For and on behalf of the Board of Directors of ReNew Power Private Limited (formerly known as ReNew Power Limited)**

SUMANT SINHA
Digitally signed by SUMANT SINHA
Date: 2020.06.08 22:48:05 +05'30'

**Sumant Sinha**
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 08 June 2020

MUTHUKUMARAN DORAISWAMI
Digitally signed by MUTHUKUMARAN DORAISWAMI
Date: 2020.06.08 22:47:52 +05'30'

**D Muthukumaran**
(Chief Financial Officer)

Place: Gurugram
Date: 08 June 2020

ASHISH JAIN
Digitally signed by ASHISH JAIN
Date: 2020.06.08 23:00:20 +05'30'

**Ashish Jain**
(Company Secretary)

Place: Gurugram
Date: 08 June 2020

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Statement of Cash Flows for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| **(Loss)/Profit before tax** | (3,710) | 2,303 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 14,819 | 12,459 |
| Loss on disposal of property plant and equipment and capital work in progress | 104 | 197 |
| Share in loss of jointly controlled entities | 53 | 39 |
| Deferred revenue | (35) | (7) |
| Government grant- viability gap funding | (37) | (39) |
| Gain on ineffectiveness on derivative instruments designated as cash flow hedge (net) | - | - |
| Loss on settlement of derivative instruments designated as cash flow hedge (net) | 302 | 304 |
| Gratuity expense | 13 | - |
| Operation and maintenance reserve | 11 | 923 |
| Share based payments | 72 | 183 |
| Amortization of option premium | 1,119 | - |
| Provision for doubtful debts | 25 | 1 |
| Unamortised ancillary borrowing cost written off | 520 | 523 |
| Gain on sale of intangibles | (219) | - |
| Interest income | (2,144) | (1,393) |
| Interest expense | 32,611 | 25,912 |
| Fair value gain on mutual fund | - | (272) |
| **Operating profit before working capital changes** | **43,504** | **41,133** |
| | | |
| **Movement in working capital** | | |
| (Increase)/decrease in trade receivables | (6,820) | (8,748) |
| (Increase)/decrease in inventories | 110 | (565) |
| (Increase)/decrease in other current financial assets | (407) | (4) |
| (Increase)/decrease in other non-current financial assets | (49) | 4 |
| (Increase)/decrease in other current assets | 259 | (52) |
| (Increase)/decrease in other non-current assets | 224 | (23) |
| (Increase)/decrease in prepayments | (2,247) | (1,959) |
| Increase/(decrease) in other current financial liabilities | 30 | (187) |
| Increase/(decrease) in other current liabilities | 274 | 295 |
| Increase/(decrease) in other non current liabilities | 35 | 16 |
| Increase/(decrease) in trade payables | 662 | 262 |
| Increase/(decrease) in provisions | 14 | 25 |
| **Cash generated from operations** | **35,589** | **30,197** |
| Direct taxes paid (net of refunds) | (1,854) | (1,905) |
| **Net cash generated in operating activities** | **33,735** | **28,292** |
| | | |
| **Cash flow from investing activities** | | |
| Purchase of property, plant and equipment including capital work in progress, intangibles including intangible assets under development, capital creditors and capital advances | (39,209) | (61,117) |
| Gain on sale of intangibles | 219 | |
| Investments of deposits having residual maturity more than 3 months | (15,868) | (2,622) |
| Investment in mutual funds redeemed/(made) | - | 9,540 |
| Purchase consideration paid | (14) | (941) |
| Interest received | 1,932 | 1,246 |
| **Net cash used in investing activities** | **(52,940)** | **(53,894)** |
| | | |
| **Cash flow from financing activities** | | |
| Proceeds from issue of equity shares (including premium) | - | 560 |
| Payment for acquisition of subsidiary's interest from non controlling interest | (1,484) | - |
| Proceeds from sale of subsidiary's interest to non controlling interest | 846 | - |
| Payment of lease liabilities (including payment of interest expense on lease liabilities) | (207) | - |
| Government grant received | 54 | 496 |
| Proceeds from compulsory convertible preference shares | 20,903 | - |
| Proceeds from long-term borrowings | 98,662 | 109,135 |
| Repayment of long-term borrowings | (55,429) | (62,134) |
| Proceeds from short-term borrowings | 34,810 | 32,968 |
| Repayment of short-term borrowings | (44,790) | (32,685) |
| Interest paid | (31,186) | (26,493) |
| **Net cash generated from financing activities** | **22,179** | **21,847** |
| | | |
| **Net increase/(decrease) in cash and cash equivalents** | **2,974** | **(3,755)** |
| **Cash and cash equivalents at the beginning of the year** | **10,115** | **13,914** |
| **Cash and cash equivalents at the end of the year** | **13,089** | **10,159** |

ReNew Power Private Limited (formerly known as ReNew Power Limited)
**Consolidated Statement of Cash Flows for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| | | |
|---|---|---|
| **Components of cash and cash equivalents** | | |
| Cash on hand | 0 | 0 |
| Cheque on hand | 0 | - |
| Balances with banks: | | |
| - On current accounts | 11,699 | 4,781 |
| - On deposit accounts with original maturity of less than 3 months | 1,390 | 5,334 |
| | **13,089** | **10,115** |
| **Total cash and cash equivalents (note 15)** | **13,089** | **10,115** |

| Particulars | Opening balance as at 1 April 2019 | Cash flows (net) | Other Changes* | Closing balance as at 31 March 2020 |
|---|---|---|---|---|
| Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred) | 269,328 | 64,136 | 10,072 | 343,536 |
| Short-term borrowings | 20,657 | (9,980) | 1,514 | 12,191 |
| Derivative instruments | 895 | - | (895) | - |
| **Total liabilities from financing activities** | **290,880** | **54,156** | **10,691** | **355,727** |

| Particulars | Opening balance as at 1 April 2018 | Cash flows (net) | Other Changes* | Closing balance as at 31 March 2019 |
|---|---|---|---|---|
| Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred) | 219,085 | 47,000 | 3,244 | 269,328 |
| Short-term borrowings | 19,365 | 283 | 1,009 | 20,657 |
| Derivative instruments | 931 | - | (37) | 895 |
| **Total liabilities from financing activities** | **239,381** | **47,283** | **4,216** | **290,880** |

* Including adjustment for ancillary borrowing cost, unrealised/realised foreign exchange gain/loss.
Refer note 38 for movement in lease liabilities

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

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:27:00 +05'30'

**per Amit Chugh**
Partner
Membership No.: 505224
Place: Gurugram
Date: 08 June 2020

**For and on behalf of the Board of Directors of ReNew Power Private Limited (formerly known as ReNew Power Limited)**

SUMANT SINHA
Digitally signed by SUMANT SINHA
Date: 2020.06.08 22:48:27 +05'30'

**Sumant Sinha**
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 08 June 2020

MUTHUKUMARAN DORAISWAMI
Digitally signed by MUTHUKUMARAN DORAISWAMI
Date: 2020.06.08 22:48:42 +05'30'

**D Muthukumaran**
(Chief Financial Officer)

Place: Gurugram
Date: 08 June 2020

ASHISH JAIN
Digitally signed by ASHISH JAIN
Date: 2020.06.08 23:00:48 +05'30'

**Ashish Jain**
(Company Secretary)

Place: Gurugram
Date: 08 June 2020

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Consolidated Statement of Changes in Equity for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

| Particulars | Attributable to the equity holders of the Parent | | | | | | | | | | Non-Controlling Interests (NCI) | Total Equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Reserves and Surplus | | | | Items of other comprehensive income (OCI) | | | | | |
| | Equity share capital | Share application money pending allotment | Securities premium | Share based payment reserve | Retained earnings | Debenture redemption reserve | Capital reserve | Hedge reserve | Foreign currency translation reserve | Total | | |
| | (refer note 16A) | (refer note 17A) | (refer note 17B) | (refer note 17F) | (refer note 17H) | (refer note 17D) | (refer note 17C) | (refer note 17E) | (refer note 17G) | | | |
| **At 1 April 2018** | **3,772** | **-** | **66,376** | **1,027** | **(2,175)** | **2,422** | **114** | **(271)** | **-** | **71,265** | **3,414** | **74,679** |
| Profit for the year | - | - | - | - | 800 | - | - | - | - | 800 | 230 | 1,030 |
| Other comprehensive income (net of taxes) | - | - | - | - | 10 | - | - | (241) | (2) | (233) | (17) | (250) |
| **Total Comprehensive Income** | **-** | **-** | **-** | **-** | **810** | **-** | **-** | **(241)** | (2) | **567** | **213** | **780** |
| Share-based payments | - | - | - | 316 | - | - | - | - | - | 316 | - | 316 |
| Share application money received | - | 566 | - | - | - | - | - | - | - | 566 | - | 566 |
| Amount utilised on exercise of stock options | - | - | 257 | (257) | - | - | - | - | - | - | - | - |
| Equity shares issued during the year | 27 | (566) | 539 | - | - | - | - | - | - | (0) | 1 | 1 |
| Adjustments for acquisition of interest by NCI in subsidiaries | - | - | - | - | (0) | - | - | - | - | (0) | (0) | (0) |
| Amount utilized for issue of shares | - | - | (7) | - | - | - | - | - | - | (7) | - | (7) |
| Debenture redemption reserve | - | - | - | - | (1,755) | 1,755 | - | - | - | - | - | - |
| **At 31 March 2019** | **3,799** | **-** | **67,165** | **1,086** | **(3,120)** | **4,177** | **114** | **(512)** | **(2)** | **72,707** | **3,628** | **76,335** |
| Loss for the year | - | - | - | - | (4,842) | - | - | - | - | (4,842) | (184) | (5,027) |
| Other comprehensive income (net of taxes) | - | - | - | - | (9) | - | - | (574) | 14 | (569) | (62) | (631) |
| **Total Comprehensive Income** | **-** | **-** | **-** | **-** | **(4,851)** | **-** | **-** | **(574)** | **14** | **(5,411)** | **(246)** | **(5,657)** |
| Share-based expense | - | - | - | 207 | - | - | - | - | - | 207 | - | 207 |
| Adjustment in ESOP reserve on forfeiture of vested options | - | - | - | (132) | 132 | - | - | - | - | - | - | - |
| Addition in capital reserve for further acquisition | - | - | - | - | - | - | (224) | - | - | (224) | - | (224) |
| Adjustments for acquisition of interest by NCI in subsidiaries | - | - | - | - | 5 | - | - | - | - | 5 | 428 | 433 |
| Debenture redemption reserve | - | - | - | - | 1,881 | (1,881) | - | - | - | - | - | - |
| **At 31 March 2020** | **3,799** | **-** | **67,165** | **1,161** | **(5,953)** | **2,296** | **(110)** | **(1,086)** | **12** | **67,284** | **3,810** | **71,094** |

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

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:27:23 +05'30'

**per Amit Chugh**
Partner
Membership No.: 505224
Place: Gurugram
Date: 08 June 2020

**For and on behalf of the Board of Directors of ReNew Power Private Limited**
**(formerly known as ReNew Power Limited)**

SUMANT SINHA
Digitally signed by SUMANT SINHA
Date: 2020.06.08 22:49:19 +05'30'

**Sumant Sinha**
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 08 June 2020

MUTHUKUMARAN DORAISWAMI
Digitally signed by MUTHUKUMARAN DORAISWAMI
Date: 2020.06.08 22:49:01 +05'30'

**D Muthukumaran**
(Chief Financial Officer)
Place: Gurugram
Date: 08 June 2020

ASHISH JAIN
Digitally signed by ASHISH JAIN
Date: 2020.06.08 23:01:22 +05'30'

**Ashish Jain**
(Company Secretary)

Place: Gurugram
Date: 08 June 2020

**1 Corporate Information**

ReNew Power Private Limited ('the Company') is a private limited company domiciled in India. The Company was converted into a private limited company with effect from 8 Novemeber 2019 and consequently the name of the Company has changed from ReNew Power Limited to ReNew Power Private Limited.

The registered office of the Company is located at 138, Ansal Chamber - II Bhikaji Cama Place, New Delhi-110066. The consolidated financial statements comprise financial statements of Renew Power Private Limited (the company) and its subsidiaries (collectively, the Group) for the year ended 31 March 2020. The Group is carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Consolidated Financial Statements of the Group have been approved for issue by the Group's Board of Directors on 08 June 2020.

**2 Basis of preparation**

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention issued thereunder and other accounting principles generally accepted in India.

These Consolidated Financial Statements have been prepared using presentation and disclosure requirements of the Schedule III of the Companies Act 2013.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

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

**3 Principles of consolidation**

The Consolidated Financial Statements comprise the consolidated financial statements of the Group as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

-The contractual arrangement with the other vote holders of the investee
-Rights arising from other contractual arrangements
-The Group's voting rights and potential voting rights
-The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of ReNew Power Private Limited ( Parent Company) i.e., year ended on 31 March 2020. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**Consolidation procedure:**

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent on line by line basis with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

**4.1 Summary of Significant Accounting Policies**

**a) Business Combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

**b) Investments accounted for using the equity method.**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.
The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.
Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit and loss.

**c) Current versus non-current classification**

The 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 Group has identified twelve months as their operating cycle for classification of their current assets and liabilities.

**d) Fair value measurement**

The Group measures 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 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 Group uses 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 consolidated 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 Group has 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 Group analyses 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 Group.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines 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 56)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 44)
· Financial instruments (including those carried at amortised cost) (Refer Note 43 and 44)

**e) Revenue recognition**

**(i) 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 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.

***Income from services (management consultancy)***

The Company recognises revenue from projects management/technical consultancy over time because the customer simultaneously receives and consumes the benefits provided to them, as per the terms of the agreement entered with the customer

***Sale of equipment***

Revenue from sale of equipment is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment. The 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 equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer.

***Income from operation and maintenanace services***
Revenue from operation and maintenance services are recognised over time as per the terms of agreement.

***Revenue from Engineering Procurement and Construction ("EPC") Contracts***
Revenue from provision of service is recognized over a period of time on the percentage of completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Profit on contracts is recognized on percentage of completion method and losses are accounted as soon as these are anticipated. However, profit is not recognized unless there is reasonable progress on the contract. In case the total cost of a contract based on technical and other estimates is expected to exceed the corresponding contract value such expected loss is provided for. The revenue on account of extra claims on construction contracts are accounted for at the time of acceptance in principle by the customers due to uncertainties attached.

Contract revenue earned in excess of billing has been reflected under other current assets and billing in excess of contract revenue has been reflected under current liabilities in the balance sheet.

**(a) 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. These are adjusted against revenue and 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.

**(b) 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.

**(ii) Income from compensation for loss of revenue**
Income from compensation for loss of revenue is recognised after certainty of receipt of the same is established.

**(iii) Dividend**
Dividend income is recognised when the right to receive dividend is established by the reporting date.

**(iv) Sale of Reduction Emission Certificates (RECs)**
Income from sale of RECs is recognised on sale of these certificates.

**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 Group performs 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 Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers 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 Group performs under the contract.

**(iii) Trade receivables**
A receivable represents the Group's right 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 (s) Financial instruments – initial recognition and subsequent measurement.

**f) Foreign currencies**
The Financial Statements are presented in Indian rupees (INR), which is also the functional currency and the currency of the primary economic environment in which the Group operate.

**Foreign currency translation**

Foreign currency transactions are translated into the appropriate functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and loss, except when recognised in other comprehensive income as qualifying cash flow or net investment hedges. Non-monetary assets that are measured at fair value are translated using the exchange rate at the date that the fair value was determined. Translation differences on equities and similar non-monetary items held at fair value through profit and loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on available-for-sale non-monetary financial assets, such as equity shares, are included in the fair value reserve in equity unless the asset is a hedged item inr constructive oblig

**Group companies**

The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on the acquisition of a foreign entity, are translated into INR at foreign exchange rates ruling at the balance sheet date.

The income and expenses of foreign operations are translated into INR at average exchange rates unless these do not approximate to the foreign exchange rates ruling at the dates of the transactions in which case income and expenses are translated at the dates of the transactions.

Foreign exchange differences arising on the translation of a foreign operation are recognised in other comprehensive income and accumulated in a separate component of equity together with exchange differences arising from the translation of borrowings and other currency instruments designated as hedges of such investments. On disposal or liquidation of a foreign operation, the cumulative amount of exchange differences relating to that foreign operation are reclassified from equity and included in determining the profit or loss arising on disposal or liquidation.

**g) 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 or loss is recognised outside profit or 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.

***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.

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 Group is 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 period in which the temporary differences originate. However, the 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 period 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 or loss is recognised outside profit or 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 Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

**h) 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 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 Group presents grants related to an expense item as other income in the Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission reduction 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 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".

**Subsidy (Viability Gap Funding)**

The Group receives Viability Gap Funding (VGF) for setting up of certain solar power projects. The Group records the VGF proceeds on fulfilment of the underlying conditions as deferred government grant. Such deferred grant is recognized over the period of useful life of underlying asset.

**i) Property, plant and equipment**

On transition date to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of the 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 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 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 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 Statement of Profit and Loss when the asset is derecognised.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**j) Intangible assets**

On transition date to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April, 2015 measured as per previous GAAP and use that carrying value as the deemed cost of the intangible assets.

Intangible assets acquired separately are measured in initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with finite life are reviewed at least at the end of each reporting period.

Customer related intangibles are capitalized if they meet the definitions of an intangible asset and the recognition criteria are satisfied. Customer-related intangibles acquired as part of a business combination are valued at fair value and those acquired separately are measured at cost. Such intangibles are amortized over the remaining useful life of the customer relationships or the period of the contractual arrangements.

(Amounts in INR millions, unless otherwise stated)

**k) Depreciation/amortization of property, plant and equipment and intangibles**

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Category | Life (in years) |
|---|---|
| Plant and equipment (solar rooftop projects)* | 25 years or terms of power purchase agreement, whichever is less (15-25 years) |
| Plant and equipment (wind & solar power projects)* | 18-25 |
| Plant and equipment (others) | 5-18 |
| Office equipment | 5 |
| Furniture and fixture | 10 |
| Computers | 3 |
| Computer servers | 6 |
| Computer softwares | 3-6 |
| Customer contracts | Life of respective power purchase agreements |
| Development rights | Life of respective power purchase agreements |
| Leasehold improvements | Over the period of lease |
| Building (Temporary structure) | 3 |

* 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 are reviewed at each financial period end and adjusted prospectively, if appropriate.

**l) Inventories**

Inventories are valued at the lower of cost and net realisable value.
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out 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.

**m) 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 Statement of Profit and Loss. The amount amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

To the extent, group borrows funds for general purpose and uses them for the purpose of obtaining a qualifying asset, the group determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate used is weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

**n) Leases**

**As per Ind AS 17 applicable till period ended 31 March 2019**

**As a lessee**

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**As a lessor**

Leases in which the 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.

**As per Ind AS 116 applicable from 1 April 2019**
The 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**
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The 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**
The 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 (leasehold land and leasehold building) are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the 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 (o) Impairment of non-financial assets.

**ii) Lease liabilities**
At the commencement date of the lease, the 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 Group and payments of penalties for terminating the lease, if the lease term reflects the 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.

In calculating the present value of lease payments, the 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 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 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.

**o) Impairment of non-financial assets**
The 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 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 Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the 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 Group extrapolates 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 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 Group estimates 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 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 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.

**p) Share based payments**

Company provides additional benefits to certain members of senior management and employees of the Group in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

***Equity-settled transactions***

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost is recognized, together with a corresponding increase in share-based payment reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefit expenses. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the numbers of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefit expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other condition attached to an award, but without associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because of non-market performance and/or service conditions have not been met. Where awards include a market or non-market condition, the transaction are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service condition are satisfied.

**q) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognize contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates a defined benefit plan in India, viz., gratuity. The cost of providing benefit under this plan is determined on the basis of actuarial valuation at each period-end carried out using the projected unit cost method.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognized in the net interest on the defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats the accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are determined on the basis of actuarial valuation at each period-end carried out using the projected unit cost method. Remeasurements comprising of actuarial gain and losses are recognized in the balance sheet with a corresponding debit or credit to profit or loss in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The Group presents the leave as current liability in the balance sheet, to the extent is does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Past service costs are recognised in statement of profit and loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**r) Provisions**

Provisions are recognised when the Group has 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 Group expects 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 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.

**s) 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 or 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 Group commits 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 other income in the satement of profit and loss. The losses arising from impairment are recognised in the 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 Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. 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 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 Group has 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 statement of profit and loss.

**Equity investments**

All other 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 AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides 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 P&L, even on sale of investment. However, the 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 P&L.

***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 respective Group has 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 Group has 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 companies under the 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 Group continues to recognise the transferred asset to the extent of the continuing involvement of Group. In that case, the 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 Group has 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 Group could be required to repay.

***Impairment of financial assets***
In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on all the financial assets and credit risk exposure.
The 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 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 group determines 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 income/expense in the Statement of Profit and Loss (P&L).

**Financial liabilities**

***Initial recognition and measurement***
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or 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 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 profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 Statement of Profit and Loss. This category generally applies to borrowings.

The 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.

***Compulsorily convertible preference shares***
Compulsorily convertible preference shares are separated into liability and equity components based on the terms of the contract.
On issuance of the convertible preference shares, the fair value of the liability component is determined using a market 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 or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

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

The Group 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 compulsorily 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.

***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 statement of profit and loss.

***Reclassification of financial assets and liabilities***
The 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 Combined 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.

**t) Derivative financial instruments and hedge accounting**

***Initial recognition and subsequent measurement***
The Group uses derivative financial instruments, such as interest rate swaps and call/put options etc., to hedge its interest rate risks and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:
- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**(i) Cash flow hedges**
The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Profit and Loss.

The Group uses interest rate swaps and call/put options etc. as hedges of its exposure to interest rate risks and foreign currency risks in the foreign currency loan. The ineffective portion relating to foreign currency loan is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged item affects the Statement of Profit and Loss or treated as basis adjustment if a hedged item subsequently results in recognition of a non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**u) 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 are considered an integral part of the Group's cash management.

**v) Measurement of EBITDA**

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The 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.

**w) Events occurring after the Balance Sheet date**

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

The Group does not adjust the amounts recognised in its consolidated financial statements to reflect non-adjusting events after the reporting period.

The Group makes disclosures in the financial statements in cases of significant events.

**x) 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 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.

**y) Earnings per equity share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

'The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**4.2 Changes in accounting policy and disclosures- New and amended standards**

The Group applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.

Several other amendments and interpretations apply for the first time for the year ended 31 March 2020, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards or amendments that have been issued but are not yet effective.

**a) Ind AS 116 Leases:**

Ind AS 116 supersedes Ind AS 17 Leases. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessee's to recognise most leases on the balance sheet. Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of 1 April 2019, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. There is no impact on equity on transition to Ind AS 116 as on 1 April 2019.

The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application. Therefore, the comparative information was not restated and continues to be reported under Ind AS 17. The Group also applied the available practical expedients wherein it:

• Used a single discount rate to a portfolio of leases with reasonably similar characteristics
• Relied on its assessment of whether leases are onerous immediately before the date of initial application
• Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
• Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
• Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

(Amounts in INR millions, unless otherwise stated)

**The effect of adopting Ind AS 116 as at 1 April 2019 was, as follows:**

| Particulars | Notes | (INR in Mn) Ind AS 116 impact as at 1 April 2019 |
|---|---|---|
| **Assets - Increase/(decrease):** | | |
| **Non-current assets** | | |
| Right of use assets | 6A | 4,268 |
| Prepayments | 10 | (2,955) |
| **Other non-current assets** | | |
| Deferred rent | 11 | (18) |
| **Current assets** | | |
| Prepayments | 10 | (139) |
| **Other current assets** | | |
| Deferred rent | 11 | (7) |
| **Equity** | | |
| **Other equity** | | |
| Retained earnings | 17H | - |
| **Liabilities - (Increase)/decrease:** | | |
| **Non-current liabilities** | | |
| Financial liabilities | | |
| Lease liabilities | 38 | (997) |
| **Current liabilities** | | |
| Financial liabilities | | |
| Trade payables | 24 | 34 |
| Current Lease liabilites | 38 | (186) |

**b) Other regulatory changes**

Pursuant to the Taxation law (Amendment) Ordinance 2019 ('Ordinance') issued by Ministry of Law and Justice on 20 September 2019 with an effective 01 April 2019, domestic companies have the option to pay corporate income tax at 22% plus applicable surcharge and cess subject to certain conditions. Basis the assessment carried out by the Group, 42 group entities have opted for reduced corporate tax rates and accordingly, has recognized current tax and re-measured its deferred taxes as per the provisions of the Ordinance. This has resulted in write-off of MAT credit amounting to INR 938 and reduction in DTA or recognition in DTL amounting to INR 44 on account of re-measurement of deferred tax as at 31 March, 2019. The tax charge for the year has been increased by INR 982.

(Amounts in INR millions, unless otherwise stated)

| 5 Property, plant and equipment | Freehold Land # | Plant and equipment | Buildings | Leasehold improvements | Office equipment | Furniture & Fixtures | Computers | Total Property, plant and equipment | Capital work in progress |
|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | |
| **At 1 April 2018** | **8,070** | **243,076** | **64** | **35** | **30** | **18** | **32** | 251,325 | **7,444** |
| Additions during the year^ | 333 | 35,589 | - | 102 | 32 | 35 | 30 | 36,121 | 44,844 |
| Acquisition of a subsidiary (refer note 53) | 245 | 2,954 | - | - | 0 | - | 0 | 3,199 | - |
| Adjustment during the year* | 57 | (225) | - | - | - | - | - | (168) | (38) |
| Disposals during the year** | - | (7) | - | (13) | (7) | (5) | (3) | (35) | (221) |
| Capitalised during the year | - | - | - | - | - | - | - | - | (35,756) |
| **At 31 March 2019** | **8,705** | **281,387** | **64** | **124** | **55** | **48** | **59** | **290,442** | **16,273** |
| Additions during the year^ | 1,258 | 47,373 | - | 6 | 12 | 8 | 26 | 48,683 | 49,216 |
| Adjustments during the year* | (73) | (51) | - | - | - | - | - | (124) | (188) |
| Disposals during the year** | - | (95) | - | - | (1) | - | (4) | (100) | (27) |
| Capitalised during the year | - | - | - | - | - | - | - | - | (47,373) |
| **At 31 March 2020** | **9,890** | **328,614** | **64** | **130** | **66** | **56** | **81** | **338,901** | **17,901** |
| | | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | | |
| **At 1 April 2018** | - | **12,841** | **11** | **8** | **9** | **0** | **14** | **12,883** | - |
| Charge for the year (refer note 34) | - | 11,276 | 3 | 25 | 13 | 9 | 15 | 11,341 | - |
| Adjustments during the year* | - | (4) | - | - | - | - | - | (4) | - |
| Disposals during the year | - | (1) | - | (8) | (4) | (1) | (3) | (17) | - |
| **At 31 March 2019** | - | **24,112** | **14** | **25** | **18** | **8** | **26** | **24,203** | - |
| Charge for the year (refer note 34) | - | 13,394 | 3 | 11 | 7 | 6 | 11 | 13,432 | - |
| Depreciation capitalised during the year | - | 2 | - | 15 | 6 | 2 | 7 | 32 | - |
| Adjustments during the year* | 0 | 0 | - | - | - | - | - | 0 | - |
| Disposals during the year | - | (0) | - | - | (1) | - | (4) | (5) | - |
| **At 31 March 2020** | **0** | **37,508** | **17** | **51** | **30** | **16** | **40** | **37,662** | - |
| | | | | | | | | | |
| **Net book value** | | | | | | | | | |
| **At 31 March 2019** | **8,705** | **257,275** | **50** | **99** | **37** | **40** | **33** | **266,239** | **16,273** |
| **At 31 March 2020** | **9,890** | **291,106** | **47** | **79** | **36** | **40** | **41** | **301,239** | **17,901** |

#The title represented by sale deeds in respect of land amounting to INR 395 (31 March 2019 INR 634) is not yet in the name of the Group. Further, the title of land amounting to INR 510 (31 March 2019 INR 571) is held by way of General Power of Attorney (GPA) and the Group is in the process of getting title transferred in its name.

**Mortgage and hypothecation on Property, plant & equipment:**

Property, plant & equipment are subject to a pari passu first charge to respective lenders for project term loans, buyer's/suppliers credit, senior secured notes, working capital loan, debentures and acceptances as disclosed in note 18 and note 23.

**^ Capitalised borrowing costs**

The amount of borrowing costs capitalised in Property, plant and equipment and capital work in progress during the year ended 31 March 2020 was INR 1,928 (31 March 2019 INR .1,433). The rate ranging from 6.40% to 14.85% used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

***Adjustments to Property, Plant & Equipments are as follows**

**Freehold land**

Adjustment of INR 73 (31 March 2019: INR 57) pertains to actualisation of provisional capitalization.

**Plant and equipments**

Adjustment of INR 51 (31 March 2019: INR 107) pertains to actualisation of provisional capitalization of supply of goods and services and early closure of letter of credits.
Adjustment of INR Nil (31 March 2019: INR 118) pertains to impact of first time adoption of Ind AS 115 - Revenue from contracts with customers, using modified retrospective approach.

**Capital work in progress**

Adjustment of INR 188 (31 March 2019: INR 38) during the period pertains to actualisation of provision against capital expenditure.

**Depreciation**

Adjustment of Nil (31 March 2019: INR 2) pertains to impact taken due to first time adoption of Ind AS 115 - Revenue from contracts with customers.
Adjustment of Nil (31 March 2019: INR 2) pertains to actualisation of provisional capitalization.

**** Disposals in Capital Work in Progress includes following**

Amounting to INR 27 (31 March 2019: INR 152) has been written off to the extent of non-viability of recovery of cost in future.

(Amounts in INR millions, unless otherwise stated)

## 6 Intangible assets

| | Computer software | Customer contracts | Development rights | Total intangibles | Goodwill | Intangible asset under development |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **At 1 April 2018** | **116** | **25,197** | **36** | **25,349** | **10,953** | **1,424** |
| Additions during the year | 41 | 1,459 | - | 1,500 | 428 | 67 |
| Acquisition of a subsidiary (refer note 53) | - | 88 | - | 88 | - | - |
| Capitalised during the year | - | - | - | - | - | (1,485) |
| Disposals during the year | (1) | - | - | (1) | - | - |
| **At 31 March 2019** | **156** | **26,744** | **36** | **26,936** | **11,381** | **6** |
| Additions during the year | 19 | - | - | 19 | - | 60 |
| Capitalised during the year | - | - | - | - | - | (13) |
| **At 31 March 2020** | **175** | **26,744** | **36** | **26,955** | **11,381** | **53** |
| **Amortisation** | | | | | | |
| **At 1 April 2018** | **38** | **102** | **1** | **141** | **-** | **-** |
| Amortisation for the year (refer note 34) | 22 | 1,095 | 1 | 1,118 | - | - |
| Disposals during the year | (0) | - | - | (0) | | |
| **At 31 March 2019** | **60** | **1,197** | **2** | **1,259** | **-** | **-** |
| Amortisation for the year (refer note 34) | 30 | 1,114 | 1 | 1,146 | - | - |
| Deprecication capitalised during the year | - | 15 | - | 15 | | |
| **At 31 March 2020** | **90** | **2,326** | **3** | **2,419** | **-** | **-** |
| **Net book value** | | | | | | |
| **At 31 March 2019** | **96** | **25,547** | **34** | **25,677** | **11,381** | **6** |
| **At 31 March 2020** | **85** | **24,418** | **33** | **24,536** | **11,381** | **53** |

**Impairment of Goodwill:**
The Group undertook the impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at 31 March 2020 applying value in use approach across all the CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (25 years) using a discount rate of 9.90 % (post tax) per annum. The Group has used financial projections upto 25 years as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use of CGU after adjusting the carrying values of property, plant and equipment's and intangible assets was more than carrying value of Goodwill by INR 4,765 and accordingly no impairment loss provision has been recognized in the Statement of Profit and Loss.

The Management believes that any reasonably possible change in the key assumptions on which value in use is based would not cause the aggregate carrying amount of Goodwill to exceed the aggregate value in use of CGU.

As on 31 March 2020, there are no impairment indicator. Management will again perfom impairment testing in 31 March 2021. From last impairemt testing till reporting date there is no change in assumptions and conditions.

The key assumptions used in the value in use calculations for the power cash-generating unit are as follows:

**(i) Discount Rate** 9.90 % Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return based on the current market expectations.

**(ii) Plant load factor (PLF)** Plant load factor for future periods are estimated for each CGU based on report from expert.

(iii) Collection of revenue as per power purchase agreement rate and GBI benefit in acquired projects located in Andhra Pradesh state will be realised as per the projections and would not be impacted by the ongoing legal proceedings because management believes that matter will be concluded in favour of Group as mentioned in Note 51.

**Breakeven sensitivity:**

| | |
|---|---|
| Plant load factor (PLF) | If reduced by 3.98% |
| Weighted Average Cost of Capital (WACC): | 10.73% |

(Amounts in INR millions, unless otherwise stated)

## 6A Right of use assets

| Particulars | Lease land | Building | Total |
|---|---|---|---|
| As at 1 April 2019 on account of adoption of Ind AS 116 | 3,897 | 371 | 4,268 |
| Additions during the period | 719 | 50 | 769 |
| Deletions during the year | (4) | (3) | (7) |
| Depreciation charged to profit and loss during the year (refer note 34) | (198) | (43) | (241) |
| Depreciation captialised during the year | - | (65) | (65) |
| Balance as on 31 March 2020 | **4,414** | **310** | **4,724** |

The Group has adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application of 1 April 2019. Therefore figures of right of use assets for the previous period i.e as at 31 March 2019 is Nil

-----------------------------------This space has been left blank intentionally---------------------------------------

(Amounts in INR millions, unless otherwise stated)

| **7 Investment in jointly controlled entities** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Investment in unquoted equity shares of entities under joint control at equity method ( refer note 52)** | | |
| 3,498,744 (31 March 2019: 2,285,850) equity shares of INR10 each fully paid-up Aalok Solarfarms Limited | 91 | 85 |
| 6,996,900 (31 March 2019: 4,571,700) equity shares of INR10 each fully paid-up in Heramba Renewables Limited | 170 | 157 |
| 3,498,744 (31 March 2019: 2,285,850) equity shares of INR10 each fully paid-up in Abha Solarfarms Limited | 89 | 84 |
| 6,997,494 (31 March 2019: 4,571,700) equity shares of INR10 each fully paid-up in Shreyas Solarfarms Limited | 174 | 163 |
| **Total** | **524** | **489** |
| Aggregate amount of quoted investments along with market value thereof | - | - |
| Aggregate amount of unquoted investments | 524 | 489 |
| Aggregate amount of impairment in the value of investments | - | - |

| **8 Financial assets** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Non current (unsecured, considered good unless otherwise stated)** | | |
| **Financial assets at fair value through profit and loss** | | |
| **Investment in unquoted compulsorily convertible debentures of entities under joint control** | | |
| 1,040,625 (31 March 2019: 679,875) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Abha Solarfarms Limited | 104 | 68 |
| 2,081,250 (31 March 2019: 1,359,750) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Heramba Renewables Limited | 208 | 136 |
| 1,040,625 (31 March 2019: 679,875) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Aalok Solarfarms Limited | 104 | 68 |
| 2,081,070 (31 March 2019: 1,359,570) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Shreyas Solarfarms Limited | 208 | 136 |
| **Total** | **624** | **408** |
| Aggregate amount of quoted investments along with market value thereof | - | - |
| Aggregate amount of unquoted investments | 624 | 408 |
| Aggregate amount of impairment in the value of investments | - | - |
| **Financial assets at amortised cost** | | |
| **Loans** | | |
| **Considered good and secured** | - | - |
| **Considered good and unsecured** | | |
| Security deposits | 126 | 77 |
| **Loans which have significant increase in credit risk** | - | - |
| **Loans - credit impaired** | - | - |
| **Total** | **126** | **77** |
| **Others** | | |
| Bank deposits with remaining maturity for more than twelve months (refer note 15) | 142 | 92 |
| Interest accrued | - | - |
| **Total** | **142** | **92** |
| **Current (unsecured, considered good unless otherwise stated)** | | |
| **Financial assets at amortised cost** | | |
| **Loans** | | |
| **Considered good and unsecured** | | |
| Security deposits | 5 | 15 |
| Loans to related parties (refer note 41) | 5 | 5 |
| **Loans which have significant increase in credit risk** | - | - |
| **Loans - credit impaired** | - | - |
| **Total** | **10** | **20** |
| **Others** | | |
| Recoverable from related parties (refer note 41) | 15 | 14 |
| Advances recoverable | 233 | 221 |
| Government grant receivable * | | |
| - viability gap funding | 387 | 447 |
| - generation based incentive receivable | 1,362 | 981 |
| Interest accrued on fixed deposits | 607 | 396 |
| Interest accrued on compulsorily convertible debentures (refer note 41) | 61 | - |
| Interest accrued on loans to related parties (refer note 41) | 0 | 0 |
| Others | 53 | 92 |
| **Total** | **2,718** | **2,151** |

*Government grant is receivable for generation of renewable energy. There are no unfulfilled conditions or contingencies attached to these grants. (refer note 51)

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. 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.

(Amounts in INR millions, unless otherwise stated)

**9A Deferred tax**

| Deferred tax assets (net) | | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **Deferred tax related to items recognised in equity:** | | | |
| **Deferred tax assets (gross)** | | | |
| Compound Financial Instruments | | 128 | 129 |
| | (a) | **128** | **129** |
| **Deferred tax related to items recognised in OCI:** | | | |
| **Deferred tax assets (gross)** | | | |
| Re-measurement losses on defined benefit plans | | - | 1 |
| Loss on mark to market of derivative instruments | | 53 | 162 |
| | (b) | **53** | **163** |
| **Deferred tax liabilities (gross)** | | | |
| Re-measurement losses on defined benefit plans | | 0 | 3 |
| Loss on mark to market of derivative instruments | | 1,079 | 21 |
| | (c) | **1,079** | **24** |
| | (d) = (b)-(c) | **(1,026)** | **139** |
| **Deferred tax related to items recognised in statement of profit and loss:** | | | |
| **Deferred tax liabilities (gross)** | | | |
| Difference in written down value as per books of account and tax laws | | 14,055 | 13,607 |
| Unamortized ancillary borrowing cost | | 225 | 165 |
| GBI expenditure | | 1 | 2 |
| Derivative instrument | | - | 19 |
| Compound Financial Instruments | | 5 | - |
| Others | | 270 | - |
| | (e) | **14,556** | **13,793** |
| **Deferred tax assets (gross)** | | | |
| Difference in written down value as per books of account and tax laws | | 1 | - |
| Losses available for offsetting against future taxable income | | 15,573 | 13,274 |
| Unused tax credit (MAT) | | 639 | 1,483 |
| Compound financial instruments | | 11 | - |
| GBI | | 30 | - |
| Operation and maintenance equalisation | | 268 | 304 |
| Others | | 350 | 115 |
| | (f) | 16,872 | 15,177 |
| **Total** | (g) = (f)-(e) | **2,316** | **1,384** |
| **Deferred tax assets (net)** | (a)+(d)+(g) | **1,418** | **1,652** |

**9B Deferred tax liabilities (net)**

| **Deferred tax relates to the following:** | | | |
|---|---|---|---|
| **Deferred tax related to items recognised in Goodwill:** | | | |
| Difference in written down value as per books of accounts and tax laws | (h) | 4,729 | 5,287 |
| | | **4,729** | **5,287** |
| **Deferred tax related to items recognised in equity:** | | | |
| **Deferred tax assets (gross)** | | | |
| Compound Financial Instruments | (i) | - | 18 |
| | | **-** | **18** |
| **Deferred tax related to items recognised in OCI:** | | | |
| **Deferred tax liabilities (gross)** | | | |
| Loss on mark to market of derivative instruments | | 760 | 32 |
| | (j) | **760** | **32** |
| **Deferred tax assets (gross)** | | | |
| **Re-measurement losses on defined benefit plans** | | | |
| Loss on mark to market of derivative instruments | | 112 | 36 |
| | (k) | **112** | **36** |
| | (l) = (h)-(i)+(j)-(k) | **5,377** | **5,265** |
| **Deferred tax related to items recognised in statement of profit and loss:** | | | |
| **Deferred tax liabilities (gross)** | | | |
| Difference in written down value as per books of account and tax laws | | 16,513 | 11,326 |
| Unamortised ancillary borrowing cost | | 120 | 66 |
| Derivative instruments | | - | 12 |
| Others | | 82 | 2 |
| | (m) | **16,715** | **11,406** |
| **Deferred tax assets (gross)** | | | |
| Operation and maintenance | | 366 | 150 |
| Unamortised ancillary borrowing cost | | 6 | - |
| Unused tax credit (MAT) | | 620 | 981 |
| Preliminary expenses not written off under tax laws | | 0 | - |
| Losses available for offsetting against future taxable income | | 12,361 | 9,326 |
| Compound Financial Instruments | | - | 16 |
| Government grant | | 214 | 231 |
| Others | | 58 | 22 |
| | (n) | 13,625 | 10,726 |
| **Total** | (o) = (m) - (n) | **3,090** | **680** |
| **Deferred tax liabilities (net)** | (l) + (o) | **8,467** | **5,945** |

(Amounts in INR millions, unless otherwise stated)

| | 31 March 2020 | 31 March 2019 |
|---|---|---|
| **Accounting profit before income tax** | **(3,657)** | **2,342** |
| **Tax at the India's tax rate of 31.2% (31 March 2019 : 34.944%) (refer note 4.2(b))** | (1,141) | 818 |
| Disallowance u/s 94B of Income Tax Act | 1,327 | 1,516 |
| Compensation for loss of revenue | - | (52) |
| Interest on compound financial instrument | 634 | 37 |
| Effect of subsidiaries with losses, tax rate differences and other consolidation adjustments | 78 | (1,031) |
| Other non deductible expenses | 162 | 4 |
| Imapct of ICDS related to hedge contracts routed through OCI | (1,516) | - |
| Change in estimates for recoverability of unused tax credits (MAT) | 316 | - |
| Absence of reasonable certainty for recoverability of tax losses in certain entities | 215 | - |
| Adjustment of tax relating to earlier periods | 301 | - |
| On account of adoption of new tax ordinance | | |
| - Mat credit written off | 938 | - |
| - Recognition of deferred tax liability | 44 | - |
| **At the effective income tax rate** | **1,358** | **1,292** |
| Current tax expense reported in the statement of profit and loss | 486 | 1,186 |
| Deferred tax expense reported in the statement of profit and loss* | 872 | 106 |
| | **1,358** | **1,292** |

| | | |
|---|---|---|
| *** Where deferred tax expense relates to the following :** | | |
| Losses available for offsetting against future taxable Income | (5,333) | (8,886) |
| Derivative Instrument | - | 31 |
| Option premium | (31) | - |
| Preliminary expenses not written off under tax laws | 0 | 1 |
| Operation and maintenance | (179) | (25) |
| Unused tax credit (MAT) | 1,205 | (1,211) |
| Difference in WDV as per books of accounts and tax laws | 5,341 | 10,680 |
| Government grant | 11 | (215) |
| Compound Financial Instruments | 26 | (14) |
| Amortisation of ancillary borrowing cost | 114 | 22 |
| Business combination | (262) | (216) |
| Others | (20) | (60) |
| | **872** | **106** |

**Reconciliation of deferred tax assets (net):**

| | 31 March 2020 | 31 March 2019 |
|---|---|---|
| **Opening balance of DTA/DTL (net)** | **(4,293)** | **(4,384)** |
| Deferred tax income/(expense) during the year recognised in profit or loss | (872) | (106) |
| Deferred tax on initial recognition of compound financial instruments through equity (NCI) | (32) | - |
| Deferred tax income/(expense) during the year due to business combination | - | 109 |
| Deferred tax income/(expense) during the year recognised in OCI | (1,852) | 88 |
| **Closing balance of DTA/DTL (net)** | **(7,049)** | **(4,293)** |

The Group has unabsorbed depreciation and tax losses which arose in India of INR 110,108 (31 March 2019: INR 95,481). The unabsorbed depreciation and tax losses will be available for offsetting against future taxable profits of the Group.

Out of this, the tax losses that are available for offsetting from five to eight years against future taxable profits of the companies in which the losses arose are INR 3,606 (31 March 2019: 6,639). 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 106,386 (31 March 2019: INR 88,842). Unabsorbed depreciation is available for utilisation indefinitly.

The Group has recognised deferred tax asset of INR 27,856 (31 March 2019: INR 22,601) 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.

The expiry year of MAT credit is 10 to 15 years from the date of entitlement and deferred tax has been recognised on MAT credit which are expected to be utilised before the expiry year.

| **10 Prepayments** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Non-current (unsecured, considered good unless otherwise stated)** | | |
| Prepaid expenses | 1,122 | 3,514 |
| **Total** | **1,122** | **3,514** |
| **Current (unsecured, considered good unless otherwise stated)** | | |
| Prepaid expenses | 846 | 659 |
| | **846** | **659** |

| **11 Other assets** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Non-current (unsecured, considered good unless otherwise stated)** | | |
| **Others** | | |
| Capital advance | 5,461 | 18,372 |
| Advances recoverable | 95 | 224 |
| Security deposits | 8 | 28 |
| Deferred rent | - | 18 |
| Balances with government authorities | 98 | 155 |
| **Total** | **5,662** | **18,797** |
| **Current (Unsecured, considered good unless otherwise stated)** | | |
| Advances recoverable (refer note 56) | 1,061 | 1,460 |
| Deferred rent | - | 7 |
| Balances with government authorities | 722 | 600 |
| Contract Asset | 25 | 1 |
| **Total** | **1,808** | **2,068** |

(Amounts in INR millions, unless otherwise stated)

| 12 Inventories (At lower of cost and net realizable value) | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Consumables and spares | 609 | 719 |
| **Total** | **609** | **719** |

| 13 Derivative instruments | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Financial assets at fair value through OCI** | | |
| **Cash flow hedges** | | |
| Derivative instruments | 8,718 | 774 |
| **Total** | **8,718** | **774** |

| 14 Trade receivables | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Unsecured, considered good (refer notes 41,51) | 26,048 | 19,233 |
| Secured, considered good | - | - |
| Receivables which have significant increase in credit risk | 42 | 49 |
| Receivables - credit impaired | - | - |
| | **26,090** | **19,282** |
| Less: Impairment allowances for bad and doubtfull debts | (19) | (6) |
| **Total** | **26,071** | **19,276** |

No trade or other receivables are due from directors or other officers of the Company 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

| 15 Cash and cash equivalents | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Cash and cash equivalents** | | |
| Cash and cheque on hand | 0 | 0 |
| Balance with bank | | |
| - On current accounts | 11,699 | 4,781 |
| - Deposits with original maturity of less than 3 months # | 1,390 | 5,334 |
| | **13,089** | **10,115** |
| **Bank balances other than cash and cash equivalents** | | |
| Deposits with | | |
| - Remaining maturity for less than twelve months # | 31,203 | 15,385 |
| - Remaining maturity for more than twelve months # | 142 | 92 |
| | **31,345** | **15,477** |
| Less: amount disclosed under financial assets (others) (Note 8) | (142) | (92) |
| **Total** | **31,203** | **15,385** |

Fixed deposits of INR 8,282 (31 March 2019: INR 7,456) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and as margin money for the purpose of letter of credit/bank guarantee.

# The bank deposits have an original maturity period of 7 days to 3,652 days and carry an interest rate of 3.50% - 8.50% which is receivable on maturity.

-----------------------------------This space has been left blank intentionally---------------------------------------

(Amounts in INR millions, unless otherwise stated)

## 16 Share capital

| Authorised share capital | Number of shares | Amount |
|---|---|---|
| **Equity shares of INR 10 each** | | |
| **At 1 April 2018** | 400,000,000 | 4,000 |
| Increase during the year | 100,000,000 | 1,000 |
| **At 31 March 2019** | 500,000,000 | 5,000 |
| Increase during the year | - | - |
| **At 31 March 2020** | **500,000,000** | **5,000** |

| Compulsory convertible preference shares of INR 425 each (refer note 18) | Number of shares | Amount |
|---|---|---|
| **At 1 April 2018** | - | - |
| Increase during the year | - | - |
| **At 31 March 2019** | - | - |
| Increase during the year | 60,000,000 | 25,500 |
| **At 31 March 2020** | **60,000,000** | **25,500** |

| Issued share capital | Number of shares | Amount |
|---|---|---|
| **16A Equity shares of INR 10 each issued, subscribed and fully paid up** | | |
| **At 1 April 2018** | 377,157,856 | 3,772 |
| Shares issued during the year | 2,766,700 | 27 |
| **At 31 March 2019** | **379,924,556** | **3,799** |
| Shares issued during the year | - | - |
| **At 31 March 2020** | **379,924,556** | **3,799** |

**Terms/rights attached to equity shares**

The 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 Group will declare and pay dividends in Indian rupees.
In the event of liquidation of a Group, the holders of equity shares of such Group will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the Group.

| 16B Details of shareholders holding more than 5% shares in the Company | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Number | % Holding | Number | % Holding |
| GS Wyvern Holding Ltd | 184,709,600 | 48.62% | 184,709,600 | 48.62% |
| Canada Pension Plan Investment Board | 61,608,099 | 16.22% | 61,608,099 | 16.22% |
| Green Rock B 2014 Limited (formerly known as Green Rock A 2014 Limited) | 60,487,804 | 15.92% | 60,487,804 | 15.92% |
| JERA Power RN B.V. | 34,411,682 | 9.06% | 34,411,682 | 9.06% |

As per the records of the Company, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

16C No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.

16D **Shares reserved for issue under options**

For details of shares reserved for issue under the share based payment plan of the Group, refer note 39

For details of shares reserved for issue on conversion of Convertible Preference Shares, please refer note 18 related to terms of conversion/ redemption of preference shares.

## 17 Other equity

| 17A Share application money pending allotment | |
|---|---|
| **At 1 April 2018** | - |
| Share application money received during the year | 566 |
| Equity shares issued during the year | (566) |
| **At 31 March 2019** | - |
| Share application money received during the year | - |
| Equity shares issued during the year | - |
| **At 31 March 2020** | - |

| 17B Securities premium | |
|---|---|
| **At 1 April 2018** | **66,376** |
| Premium on issue of equity shares during the year | 539 |
| Amount transferred from share based payment reserve on conversion | 257 |
| Amount utilized against for issue of equity shares | (7) |
| **At 31 March 2019** | **67,165** |
| Premium on issue of equity shares during the year | - |
| Amount transferred from share based payment reserve on conversion | - |
| Amount utilized against for issue of equity shares | - |
| **At 31 March 2020** | **67,165** |

**Nature and purpose**

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

(Amounts in INR millions, unless otherwise stated)

**17C Capital reserve**

| | |
|---|---|
| **At 1 April 2018** | **114** |
| Additions during the year | - |
| **At 31 March 2019** | **114** |
| Additions during the year | (224) |
| **At 31 March 2020** | **(110)** |

**Nature and purpose**
Capital reserve represents bargain purchase on business combinations.

**17D Debenture redemption reserve**

| | |
|---|---|
| **At 1 April 2018** | **2,422** |
| Amount transferred from surplus balance in retained earnings* | 1,755 |
| **At 31 March 2019** | **4,177** |
| Debenture redemption reserve created during the period* | 33 |
| Debenture redemption reserve transferred to retained earnings during the year | (1,914) |
| **At 31 March 2020** | **2,296** |

**Nature and purpose**
As per amendments in Companies (Share capital and Debentures) Rules, 2014 the requirement of listed Companies to create Debenture redemption reserve has been removed.

*Due to insufficient profit during the year, DRR has been created only to the extent of available profit. Resultantly, there is a overall shortfall as at 31 March 2020 INR 216 (31 March 2019 INR 1,279).

**17E Hedge reserve**

| | |
|---|---|
| **At 1 April 2018** | **(271)** |
| Movement in hedge reserve (refer note 50) | (258) |
| Attributable to non-controlling interests (refer note 50) | 17 |
| **At 31 March 2019** | **(512)** |
| Movement in hedge reserve (refer note 50) | (636) |
| Attributable to non-controlling interests (refer note 50) | 62 |
| **At 31 March 2020** | **(1,086)** |

**Nature and purpose**
The Group uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Group uses foreign currency forward contracts, cross currency swaps, foreign currency option contracts and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

**17F Share based payment reserve**

| | |
|---|---|
| **At 1 April 2018** | **1,027** |
| Expense for the year | 316 |
| Amount utilised on exercise of stock options | (257) |
| **At 31 March 2019** | **1,086** |
| Expense for the year | 207 |
| Adjustment in ESOP reserve on forfeiture of vested options | (132) |
| **At 31 March 2020** | **1,161** |

**Nature and purpose**
The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

**17G Foreign currency translation reserve**

| | |
|---|---|
| **At 1 April 2018** | - |
| Additions during the year | **(2)** |
| **At 31 March 2019** | **(2)** |
| Additions during the year | 14 |
| **At 31 March 2020** | **12** |

**Nature and purpose**
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

**17H Retained earnings**

| | |
|---|---|
| **At 1 April 2018** | **(2,175)** |
| Profit for the year | 800 |
| Re-measurement losses on defined benefit plans (net of tax) | 10 |
| Adjustments for acquisition of interest by NCI in subsidiaries | (0) |
| Appropriation for debenture redemption reserve | (1,755) |
| **At 31 March 2019** | **(3,120)** |
| Profit for the year | (4,842) |
| Re-measurement losses on defined benefit plans (net of tax) | (9) |
| Adjustment in ESOP reserve on forfeiture of vested options | 132 |
| Adjustments for acquisition of interest by NCI in subsidiaries | 5 |
| Debenture redemption reserve created during the period | (33) |
| Debenture redemption reserve released on account of repayment of debenture | 1,914 |
| **At 31 March 2020** | **(5,953)** |

(Amounts in INR millions, unless otherwise stated)

| 18 Long-term borrowings | Nominal interest rate % | Maturity | Non-current As at 31 March 2020 | Non-current As at 31 March 2019 | Current As at 31 March 2020 | Current As at 31 March 2019 |
|---|---|---|---|---|---|---|
| **Debentures** | | | | | | |
| - Non convertible debentures (secured) | 8.55% - 14.85% | September 2034 | 38,835 | 58,893 | 6,376 | 4,301 |
| - Compulsorily convertible debentures (unsecured) | 8% - 11.00% | September 2036 | 553 | 692 | | - |
| Term loan from bank (secured) | 7.35% - 12.10% | December 2038 | 43,174 | 79,584 | 10,749 | 5,155 |
| Term loan from financial institutions (secured) | 8.67% - 14.45% | February 2041 | 89,604 | 47,857 | 2,885 | 1,817 |
| Acceptances (secured) | 7.76% - 8.75% | March 2022 | - | 4,904 | - | - |
| Buyer's / Supplier's credit (secured) | 2.91% -3.13% 6 months Libor + 45 to 110 BPS | December 2019 | - | - | - | 4,269 |
| Senior secured notes | 6.06% - 10.74% | February 2022 -March 2027 | 128,160 | 61,855 | - | - |
| Compulsorily convertible preference shares treated as financial liability as per Ind AS 109 | 15.02% | June 2022 | 23,200 | - | - | - |
| **Total long-term borrowings #** | | | **323,526** | **253,785** | **20,010** | **15,542** |
| **Amount disclosed under the head 'Other current financial liabilities' (refer note 26)** | | | - | - | (20,010) | (15,542) |
| **Net long-term borrowings** | | | **323,526** | **253,785** | **-** | **-** |

# Certain borrowings included above are guaranteed by ReNew Power Private Limited on behalf of the group entities. Further, certain securities held in subsidiary companies are pledged with banks and financial institutions as security for financial facilities obtained by subsidiary companies.

**Notes:**
**Details of security**

**Non convertible debentures (secured)**
The debentures are secured by way of first pari passu charge on the respective 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.

**Listed senior secured notes**
Notes are secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables, book debts and cash flows. Creation of charge on immovable properties of INR 800 by way of mortgage and assignment is under proces. The senior secured notes shall be repaid through one bullet payment in March 2024.

**Term loan from banks (secured)**
Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the respective Company.

**Term loan from financial institutions (secured)**
Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective company.

**Buyer's/ Supplier's credit (secured)**
Secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the respective Company. Creation of charge by way of mortgage and assignment is under process.

**Acceptances (secured)**
Acceptances are secured by parri passu charge over all present and future current assets and movable fixed assets of the Company of respective projects for which such acceptances are taken.

**Compulsorily convertible preference shares treated as financial liability as per Ind AS 109**
On 27 June 2019, the Company has issued INR 20,903 Compulsory Covertible Preference Shares ('CCPS') - Series A to certain existing shareholders:

| Name of Allottee | Number of shares alloted | Face value | Amount received | Balance as at 31 March 2020 |
|---|---|---|---|---|
| GS Wyvern Holding Limited | 16,395,294 | 425 | 6,968 | 7,734 |
| Green Rock B 2014 Limited (acting in its capacity as trustee of Green Stone A 2014 Trust) | 16,318,729 | 425 | 6,935 | 7,698 |
| Canada Pension Plan Investment Board | 16,470,588 | 425 | 7,000 | 7,768 |
| **Total** | **49,184,611** | | **20,903** | **23,200** |

Each Series A CCPS are non-cumulative and shall be entitled to a preferred rate of dividend of 0.0001% over the Equity Shares of the Company. These are mandatorily convertible upon the occurrence of the earliest of certain events as enumerated in terms specified in board resolution passed for issuance of CCPS but no later than 3 years from the date of allotment. Conversion shall occur at conversion price which will be computed in the manner as terms specified in board resolution passed for issuance of CCPS on the date of conversion. Series A CCPS do not meet the criteria of conversion into fixed number of equity shares given conversion price is not currently assertainable, accordingly these CCPS have been recorded as financial liability and carried at amortized cost. These CCPS carry a yield of 15.02%.

**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.

**Terms of conversion of CCDs**

| Entity | Tenure (years) | Total Proceeds | Maturity date | Interest coupon rate | Moratorium period |
|---|---|---|---|---|---|
| ReNew Mega Solar Private Limited | 25 | 193 | 22 August 2036 and 20 September 2036 | 8% | 18 months from the date of issue |
| ReNew Solar Energy (Telangana) Private Limited | 20 | 620 | 20 September 2036 | 8% | 18 months from the date of issue |
| ReNew Akshay Urja Private Limited | 20 | 500 | 17 June 2035 | 0.01% | 18 months from the date of issue |
| **Total** | | **1,313** | | | |

(Amounts in INR millions, unless otherwise stated)

**The details of non convertible debentures (secured) are as below:**

| Listing status | Debenture Series | Face value per NCD (INR) | Numbers of NCDs outstanding | | Outstanding amount | | Nominal interest | Earliest redemption date | Last date of repayment | Terms of repayment |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As at 31 March 2020 | As at 31 March 2019 | As at 31 March 2020 | As at 31 March 2019 | | | | |
| Non listed | Not applicable | 1,000,000 | 1,133 | 1,233 | 1,133 | 1,233 | 9.41% | 30-Jun-20 | 30-Sep-30 | Quarterly |
| Non listed | Not applicable | 1,000,000 | 5,222 | 5,462 | 5,222 | 5,462 | 9.60% | 30-Jun-20 | 31-Mar-23 | Quarterly |
| Non listed | Series 1 | 1,000,000 | 1,850 | 1,920 | 1,850 | 1,920 | 9.60%-9.95% | 30-Jun-20 | 31-Mar-23 | Quarterly |
| Non listed | Series 2 | 1,000,000 | 3,236 | 3,426 | 3,236 | 3,426 | 9.60%-9.95% | 30-Jun-20 | 31-Mar-23 | Quarterly |
| Non listed | Not applicable | 1,000,000 | 2,955 | 3,056 | 2,955 | 3,056 | 9.95% | 30-Jun-20 | 31-Mar-23 | Quarterly |
| Listed | Not applicable | 1,000,000 | 3.660 | 3.930 | 3,660 | 3,930 | 9.75% | 30-Sep-20 | 31-Mar-33 | Half vearlv |
| Listed | Series-1 | 1,000,000 | 500 | 700 | 500 | 700 | 8.55% | 30-Sep-20 | 30-Sep-34 | Half yearly |
| Listed | Series-2 | 1,000,000 | 2,278 | 2,395 | 2,278 | 2,395 | 8.65% | 30-Sep-20 | 30-Sep-34 | Half yearly |
| Listed | Series-3 | 1,000,000 | 4,075 | 4,085 | 4,075 | 4,085 | 8.75% | 30-Sep-20 | 30-Sep-34 | Half yearly |
| Non listed | Not applicable | 1,000,000 | - | 1,000 | - | 1,000 | 10.25% | 29-Nov-19 | 29-Nov-19 | Bullet |
| Non listed | Not applicable | 1,000,000 | 5,040 | 8,040 | 5,040 | 8,040 | 14.85% | 31-May-21 | 15-Nov-25 | Quarterly |
| Non listed | Series 3 | 1,000,000 | - | 1,000 | - | 1,000 | 12.68% | 18-Mar-20 | 18-Mar-20 | Bullet |
| Non listed | Series 6 | 1,000,000 | - | 1,000 | - | 1,000 | 13.01% | 18-Mar-20 | 18-Mar-20 | Bullet |
| Non listed | Not applicable | 1,000,000 | 2,000 | 2,835 | 2,000 | 2,835 | 12.50% | 27-Oct-22 | 27-Oct-22 | Bullet |
| Listed | Not applicable | 1,000,000 | 5,060 | 10,000 | 5,060 | 10,000 | 12.68% | 26-Feb-21 | 26-Feb-21 | Bullet |
| Non listed | Not applicable | 1,000,000 | - | 5,000 | - | 5,000 | 10.40% | 16-Sep-19 | 16-Sep-19 | Bullet |
| Non listed | Not applicable | 1,000,000 | 2,000 | 2,000 | 2,000 | 2,000 | 11.96% | 28-Sep-22 | 28-Sep-22 | Bullet |
| Non listed | Not applicable | 1,000,000 | 2,000 | 2,000 | 2,000 | 2,000 | 12.41% | 31-Oct-22 | 31-Oct-22 | Bullet |
| Non listed | Not applicable | 1,000,000 | 1,210 | 1,210 | 1,210 | 1,210 | 9.18% | 30-Nov-22 | 30-Nov-22 | Bullet |
| Non listed | Not applicable | 1,000,000 | 3,210 | 3,210 | 3,210 | 3,210 | 9.45% | 30-Jul-25 | 30-Jul-25 | Bullet |
| | **Total** | | | | **45,429** | **63,503** | | | | |

------------------------------------This space has been left blank intentionally----------------------------------------

(Amounts in INR millions, unless otherwise stated)

| **19 Lease liabilities** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Non current Lease liabilities (refer note 38) | 1,386 | - |
| Current Lease liabilities (refer note 38) | 251 | - |
| **Total** | **1,637** | **-** |

| **20 Deferred government grant** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Opening balance | 891 | 930 |
| Received during the year | - | - |
| Adjustment during the year | (6) | - |
| Released to the statement of profit and loss | (37) | (39) |
| **Total** | **848** | **891** |
| Current | 38 | 39 |
| Non-current | 810 | 852 |

| **21 Long-term provisions** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Provision for gratuity (refer note 37) | 103 | 72 |
| **Total** | **103** | **72** |

| **22 Other non-current liabilities** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Provision for operation and maintenance equalisation | 2,938 | 2,961 |
| Security deposit received | 2 | 1 |
| Others | 12 | 12 |
| **Total** | **2,952** | **2,974** |

| **23 Short term borrowings** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Working capital term loan (secured) | 5,630 | 7,807 |
| Loan from bank (secured) | 1,229 | - |
| Acceptances (secured) | 603 | 9,016 |
| Buyer's / supplier's credit (secured) | 4,496 | 3,617 |
| Loan from related party (unsecured) (refer note 41) | 190 | 176 |
| Loan from body corporate (unsecured) | 43 | 41 |
| **Total #** | **12,191** | **20,657** |

**Working capital term loan (secured)**
The term loan from bank carries interest @ 8% to 12% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 30-365 days. 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 bank (secured)**
The loan carries interest @ 10.35% p.a. The same is repayable with a bullet payment at the end of one year from the date of disbursement. It is secured by first pari-pasu charge over all present and future movable fixed assets and current assets of the project, hypothecation on escrow/trust and retention account in relation to the project, first pari-pasu charge on all project contracts and pledge of 51% of the equity and preferance share capital of the respective borrower

**Acceptances (secured)**
Acceptances are secured by parri passu charge over all present and future current assets and movable fixed assets of the Company of respective projects for which such acceptances are taken.
Discount rate of acceptances ranges from 7.05% to 9%.

(Amounts in INR millions, unless otherwise stated)

**Buyer's/Supplier's credit (secured)**

Buyer's/Supplier credit carries an interest rate of 12 month Libor 40 bps is secured by first pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Company. Creation of charge by way of mortgage and assignment is under process.

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

**Loan from body corporates (unsecured)**
Unsecured loan from body corporate of INR 47 (31 March 2019 : INR 41), no interest is payable on the loan and shall be repaid as per the terms of respective share purchase agreements.

# Certain borrowings included above are guaranteed by ReNew Power Private Limited on behalf of the group entities. Further, certain securities held in subsidiary companies are pledged with banks and financial institutions as security for financial facilities obtained by subsidiary companies.

| **24 Trade payables** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Current** | | |
| Outstanding dues to micro enterprises and small enterprises | 52 | 4 |
| Others (refer note 41) | 3,638 | 3,025 |
| **Total** | **3,690** | **3,029** |

| **25 Derivative instruments** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Financial liabilities at fair value through OCI** | | |
| **Current** | | |
| **Cash flow hedges** | | |
| Derivative instruments | - | 895 |
| **Total** | **-** | **895** |

| **26 Other current financial liabilities** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Financial liabilities at amortised cost** | | |
| Current maturities of long term borrowings (refer note 18) | 20,010 | 15,542 |
| **Others** | | |
| Interest accrued but not due on borrowings | 1,692 | 1,319 |
| Interest accrued but not due on debentures | 371 | 448 |
| Capital creditors | 8,926 | 13,109 |
| Purchase consideration payable | 272 | 1,019 |
| Other payables | 109 | 40 |
| **Total** | **31,380** | **31,477** |

| **27 Other current liabilities** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Provision for operation and maintenance equalisation | 435 | 401 |
| Deferred revenue | 1 | 4 |
| Other payables | | |
| TDS payable | 1,272 | 866 |
| GST payable | 331 | 465 |
| Labour welfare fund payable | 1 | 0 |
| Provident fund payable | 15 | 12 |
| **Total** | **2,055** | **1,748** |

| **28 Short term provisions** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| Provision for gratuity (refer note 37) | 5 | 3 |
| Provision for leave encashment | 84 | 64 |
| Others | 4 | - |
| **Total** | **93** | **67** |

(Amounts in INR millions, unless otherwise stated)

| **29 Revenue from operations** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| **Income from contracts with customers** | | |
| Sale of power | 47,762 | 42,969 |
| Sale of services - management shared services (refer note 41) | 15 | 27 |
| Income from engineering, procurement and construction service | 543 | 82 |
| Sale of services - operation and maintenance services (refer note 41) | 16 | - |
| Income from sale of renewable energy certificates | 79 | 66 |
| **Total** | **48,415** | **43,144** |

| **30 Other income** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Interest income accounted at amortised cost | | |
| - on fixed deposit with banks | 2,044 | 1,393 |
| - on loan to related parties (refer note 41) | 0 | (0) |
| - income tax refund | 33 | 4 |
| - on loan to subsidiaries - redeemable non cumulative preference shares (refer note 41) | 0 | - |
| - on compulsorily convertible debentures (refer note 41) | 67 | - |
| - others | 35 | 7 |
| Government grant | | |
| - generation based incentive | 2,098 | 2,288 |
| - viability gap funding | 37 | 39 |
| Compensation for loss of revenue | - | 379 |
| Income from leases | 63 | 175 |
| Gain on sale of intangibles | 219 | - |
| Insurance claim | 34 | 41 |
| Fair value change of mutual fund (including realised gain) | - | 272 |
| Fair value gain on investment (refer note Notes 53) | - | 77 |
| Income from Sale of Emission Reduction Certificates | 15 | - |
| Miscellaneous income | 157 | 83 |
| **Total** | **4,802** | **4,758** |

| **31 Cost of raw material and components consumed** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Cost of raw material and components consumed | 530 | 81 |
| **Total** | **530** | **81** |

| **32 Employee benefits expense** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Salaries, wages and bonus | 785 | 728 |
| Contribution to provident and other funds | 37 | 41 |
| Share based payments (refer note 39) | 72 | 183 |
| Gratuity expense (refer note 37) | 13 | 13 |
| Staff welfare expenses | 44 | 43 |
| **Total** | **951** | **1,008** |

| **33 Other expenses** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Legal and professional fees | 686 | 899 |
| Corporate social responsibility (refer note 49) | 73 | 53 |
| Travelling and conveyance | 163 | 151 |
| Rent | 24 | 106 |
| Director's commission | 9 | 15 |
| Printing and stationery | 2 | 2 |
| Rates and taxes | 194 | 159 |
| Payment to auditors * | 51 | 72 |
| Insurance | 201 | 148 |
| Operation and maintenance | 3,488 | 2,667 |
| Repair and maintenance | | |
| - building | - | |
| - others | 65 | 23 |
| Loss on sale/damage of property plant & equipment and capital work in progress (net) | 104 | 197 |
| Bidding expenses | 26 | 22 |
| Advertising and sales promotion | 22 | 8 |
| Option premium amortisation | 1,119 | 69 |
| Security charges | 195 | 176 |
| Communication costs | 31 | 26 |
| Loss on settlement of derivative instruments designated as cash flow hedge (net) | 302 | 304 |
| Provision for doubtful debts | 25 | 1 |
| Miscellaneous expenses | 252 | 103 |
| **Total** | **7,032** | **5,201** |

(Amounts in INR millions, unless otherwise stated)

| ***Payment to Auditors** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| **As auditor:** | | |
| Audit fee | 42 | 37 |
| **In other capacity:** | | |
| Certification fees | 3 | 3 |
| Other services * | 17 | 41 |
| Limited review | 1 | 1 |
| Reimbursement of expenses | 5 | 7 |
| | 68 | 89 |
| Less: Other services transferred to unamortised ancillary cost of borrowings | (16) | (16) |
| Less: Reimbursement of expenses transferred to unamortised ancillary cost of borrowings | (1) | (1) |
| | **51** | **72** |

* includes services received for capital market transactions.

| **34 Depreciation and amortization expense** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 5) | 13,432 | 11,341 |
| Amortisation of intangible assets (refer note 6) | 1,146 | 1,118 |
| Depreciation of right of use assets (refer note 6A) | 241 | - |
| **Total** | **14,819** | **12,459** |

| **35 Finance costs** | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|
| Interest expense on (accounted at amortised cost) | | |
| - term loans | 14,575 | 12,402 |
| - loan from related party (refer note 41) | 15 | 12 |
| - acceptance | 499 | 667 |
| - buyer's/supplier's credit | 420 | 1,159 |
| - on working capital demand loan | 602 | 331 |
| - non convertible debentures | 6,140 | 6,485 |
| - liability component of compulsorily convertible debentures | 59 | 78 |
| - commercial papers | 11 | 405 |
| - Senior secured notes | 7,938 | 4,357 |
| - lease liabilities | 105 | - |
| - compulsory convertible preference shares | 2,230 | - |
| - others | 17 | 16 |
| Bank charges | 411 | 376 |
| Unamortised ancillary borrowing cost written off* | 520 | 523 |
| **Total** | **33,542** | **26,811** |

* Represents transaction cost on long term borrowings charged to statement of profit & loss on account of derecognition due to substantial modification.

| **36 Earnings per share (EPS)** | | **For the year ended 31 March 2020** | **For the year ended 31 March 2019** |
|---|---|---|---|
| The following reflects the profit and share data used for the basic and diluted EPS computations: | | | |
| Profit attributable to equity holders for basic earnings | | (4,842) | 800 |
| Profit attributable to equity holders of parent for basic EPS | | (4,842) | 800 |
| Weighted average number of equity shares for calculating basic EPS | | 459,201,195 | 379,797,836 |
| Basic earnings per share | | (10.55) | 2.11 |
| Profit attributable to equity holders of parent for diluted EPS | | (4,842) | 800 |
| Weighted average number of equity shares for calculating diluted EPS | | 459,201,195 | 385,804,858 |
| Diluted earnings per share* | | (10.55) | 2.07 |
| | | **No. of shares** | **No. of shares** |
| Weighted average number of equity shares in calculating basic EPS | (a) | 379,924,556 | 379,797,836 |
| **Effect of dilution in calculating basic EPS and diluted EPS** | | | |
| Compulsory convertible preference shares | (b) | 79,276,639 | - |
| **Weighted average number of equity shares in calculating basic EPS** | **( c) =(a)+(b)** | **459,201,195** | **379,797,836** |
| **Effect of dilution in calculating diluted EPS** | | | |
| Convertible equity for employee stock option plan | (d) | 4,866,286 | 6,007,022 |
| **Weighted average number of equity shares in calculating diluted EPS** | **(e )= (c )+(d)** | **464,067,481** | **385,804,858** |

* Since the effect of conversion of employee stock option plan was anti-dilutive in the current year, it has not been considered for the purpose of computing Diluted EPS

(Amounts in INR millions, unless otherwise stated)

## 37 Gratuity and other post-employment benefit plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

The Group has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Group makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

**Statement of profit and loss**

| **Net employees benefit expense recognised in employee cost** | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Current service cost | 25 | 25 |
| Interest cost on benefit obligation | 6 | 5 |
| **Net benefit expense*** | **31** | **30** |
| | | |
| **Net (expense)/income recognised in other comprehensive income** | (13) | 14 |

**Balance sheet**

| **Benefit liability** | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Present value of unfunded obligation | 108 | 75 |
| **Net liability** | 108 | 75 |

| | **31 March 2020** | **31 March 2019** |
|---|---|---|
| **Changes in the present value of the defined benefit obligation** | | |
| Opening defined benefit obligation | 75 | 53 |
| Current service cost | 25 | 25 |
| Interest cost | 6 | 5 |
| Benefits paid | (10) | (0) |
| Liabilities assumed/ (settled) | (1) | |
| **Remeasurements during the year due to:** | | |
| - Experience adjustments | 2 | (14) |
| - Change in financial assumptions | 11 | - |
| - Change in demographic assumptions | 0 | (0) |
| Assets extinguished on curtailments/settlements | - | 6 |
| **Closing defined benefit obligation** | 108 | 75 |

Since the entire amount of plan obligation is unfunded therefore changes in fair value of plan assets, categories of plan assets as a percentage of the fair value of total plan assets and Group's expected contribution to the plan assets for the next year is not given.

* This amount is inclusive of amount capitalised in different projects.

| **The principal assumptions used in determining gratuity obligations** | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Discount rate | 6.85% | 7.75% |
| Salary escalation | 10.00% | 10.00% |

The estimates of future salary increases considered in actuarial valuation take account of inflation, total amount of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The Group regularly assesses these assumptions with the projected long-term plans and prevalent industry standards. The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

| **Particulars** | **Change in assumptions** | **31 March 2020** | **31 March 2019** |
|---|---|---|---|
| Discount rate | + 0.5% | 110 | 66 |
| | - 0.5% | 97 | 76 |
| Salary escalation | + 0.5% | 110 | 74 |
| | - 0.5% | 97 | 67 |

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

**Projected plan cash flow:**

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

| **Maturity Profile** | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Within next 12 months | 5 | 2 |
| From 2 to 5 years | 27 | 20 |
| From 6 to 9 years | 36 | 84 |
| 10 years and beyond | 226 | 181 |

The weighted average duration to the payment of these cash flows is 13.32 years (31 March 2019: 10.58 years).

(Amounts in INR millions, unless otherwise stated)

Risk analysis
The Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

· Inflation risk: Currently the Group has not funded the defined benefit plans. Therefore, the Group will have to bear the entire increase in liability on account of inflation.

· Longevity risk/life expectancy: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

· Salary growth risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

| **Defined contribution plan:** | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Contribution to provident fund & other fund charged to statement of profit & loss* | 89 | 70 |

*This amount is inclusive of amount capitalized in different projects.

## 38 Leases

**As per Ind AS 17 applicable till period ended 31 March 2019**

The Group has entered into commercial property lease for its offices. The lease have non-cancellable commitment year which has remaining term of 5 years. The Company has the Future minimum rentals payables under non- cancellable operating lease (excluding lease equalisation reserve) are as follows

| **Particulars** | **31 March 2019** |
|---|---|
| Within one year | 110 |
| After one year but not more than five years | 330 |

**As per Ind AS 116 applicable from 1 April 2019**

The Group has entered into leases for its offices and leasehold lands. These leases generally have lease terms of 5 to 30 years.
The 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 during the year:

| **Particulars** | **31 March 2020** |
|---|---|
| As at 1 April 2019 on account of adoption of Ind AS 116 | 1,183 |
| Additions | 514 |
| Accretion of interest | 105 |
| Interest capitalised during the year | 41 |
| Payments | (207) |
| **Balance as on 31 March 2020** | 1,637 |

Refer note 4.2 (a) for approach followed by the Company for transition to Ind AS 116

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

| | |
|---|---|
| Operating lease commitments as at 31 March 2019 | 440 |
| Weighted average incremental borrowing rate as at 1 April 2019 | 10.40% |
| Discounted operating lease commitments as at 1 April 2019 | 366 |
| Add: Lease liabilities of lease hold land and regional office not considered in operating lease commitment | 817 |
| **Lease liabilities as at 1 April 2019** | 1,183 |
| Current lease liability | 186 |
| Non current lease liability | 997 |

a) There are no restrictions or covenants imposed by leases.
b) Refer note 33 for rental expense recorded for short-term leases and low value leases for the year ended 31 March 2020.
c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2020.
d) The maturity analysis of lease liabilities are disclosed in note 45.
e) There are no leases which have not yet commenced to which the lessee is committed (if any).

## 39 Share Based Payment

The Group has five share-based payment schemes for its employees:
2018 Stock Option Plan, 2017 Stock Option Plan, 2016 Stock Option Plan, 2014 Stock Option Plan and 2011 Stock Option Plan ('Group Stock Option Plans') approved by the board. According to the ESOP schemes, the employee selected by the compensation committee from time to time will be entitled to options as per grant letter issued by the committee, subject to satisfaction of prescribed vesting conditions.

The relevant terms of the ESOP schemes are as below:

| Plans | **2018 Stock Option Plan Modified** | **2018 Stock Option Plan** | **2017 Stock Option Plan** | **2016 Stock Option Plan** | **2014 Stock Option Plan** | **2011 Stock Option Plan** |
|---|---|---|---|---|---|---|
| Grant Date | 16-Aug-19 | Multiple | Multiple | Multiple | Multiple | Multiple |
| Vesting period | Grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options | **Time Linked Vesting**:<br>50 % of grants will vest in 5 years as follows:<br>i) One year from the date of grant, the Options for the first four quarters shall vest immediately.<br>ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options.<br>Remaining 50% will vest at the end of 5 years from the date of grant.<br><br>**2018 Stock Option Plan (modified):**<br><br>Grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options. | **Time Linked Vesting:**<br>50 % of grants will vest in 5 years as follows:<br>i) One year from the date of grant, the Options for the first four quarters shall vest immediately.<br>ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options.<br>Remaining 50% will vest at the end of 5 years from the date of grant. | **Time Linked Vesting:**<br>5 years on quarterly basis effective from 1 December 2015 on completion of one year from the date of grant, the Options for the first seven quarters shall vest immediately. Thereafter, vesting will continue on quarterly basis for the unvested Options commencing from 1 December 2017.<br><br>**Performance linked vesting:**<br>The Options shall vest annually and shall be prorated over a period of 3 years from the date of grant and shall be subject to the EBITDA achieved by the Company for the last completed financial year.<br>The vesting of the Options shall take place at the end of the first anniversary of the date of grant ("Vesting Date") and thereafter on 31 March 2018 and 31 March 2019 or at a later date when the audited financial statements of the Company are available. | **Time Linked Vesting:**<br>5 years on quarterly basis which shall commence one year after the date of grant of option | **Time Linked Vesting:**<br>5 years from the grant date |
| Exercise period | Within 10 years from date of grant upon vesting | Within 10 years from date of grant upon vesting | Within 10 years from date of grant upon vesting | Within 10 years from date of grant upon vesting | Within 10 years from date of grant upon vesting | Within 10 years from date of grant upon vesting |
| Exercise price | INR 400 | INR 415 | INR 340 | INR 205 | INR 100 or 131 | INR 100 |
| Settlement type | Equity Settled | Equity Settled | Equity Settled | Equity Settled | Equity Settled | Equity Settled |

The details of options outstanding under the ESOP schemes are summarized below:

| **Particulars** | **Number of options (in million)** | |
|---|---|---|
| | **2019-20** | **2018-19** |
| Outstanding at the beginning of the period | 19 | 21 |
| Granted during the period | 1 | 1 |
| Forfeited during the period | 2 | 0 |
| Exercised during the period | - | 3 |
| Outstanding at the end of the period | 18 | 19 |
| Exercisable at the end of the period | 9 | 9 |

- The weighted average exercise price of these options outstanding was INR 280 for the year ended 31 March 2020 (31 March 2019: INR 258).
- The weighted average exercise price of these options granted during the year was INR 400 for the year ended 31 March 2020 (31 March 2019: INR 415)
- There are no options exercised during the current period. The weighted average exercise price of options exercised during 31 March 2019: INR 205.
- The weighted average exercise price of these options forfeited during the period was INR 189 for the year ended 31 March 2020 (31 March 2019 INR. 290).
- The weighted average exercise price of excercisable options was INR 206 for the period ended 31 March 2020 (31 March 2019: INR 178).

| **Particulars** | **2019-20** | **2018-19** |
|---|---|---|
| Dividend yield (%) | 2.9% | 1.5% |
| Expected volatility (%) | 23% | 15% |
| Risk–free interest rate (%) | 6.53% | 7.70% - 8.12% |
| Weighted average remaining contractual life | 6.30 years | 6.86 years |
| Weighted average remaining contractual life of options granted | 9.37 years | 9.47 years |

The fair value of share options granted is estimated at the date of grant using an appropriate valuation model, taking into account the terms and conditions upon which the share options were granted.

-----------------------------------This space has been left blank intentionally---------------------------------------

**ReNew Power Private Limited (formerly known as ReNew Power Limited)**
**Notes to Consolidated Financial Statements for the year ended 31 March 2020**
(Amounts in INR millions, unless otherwise stated)

**40** The Group, in addition to the Parent Company, comprises of the following entities:

| Sl.No | Name of Companies | Holding Company | Country of Incorporation | 31 March 2020 | 31 March 2019 |
|---|---|---|---|---|---|
| 1. | ReNew Wind Energy (AP 3) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 2. | ReNew Solar Power Private Limited^ | ReNew Power Private Limited | India | 100% | 100% |
| 3. | ReNew Wind Energy (MP) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 4. | ReNew Wind Energy (Varekarwadi) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 5. | ReNew Wind Energy Delhi Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 6. | ReNew Wind Energy (Jamb) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 7. | ReNew Wind Energy (Devgarh) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 8. | ReNew Wind Energy (AP) Private Limited* | ReNew Power Private Limited | India | 66% | 67% |
| 9. | Narmada Wind Energy Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 10. | ReNew Wind Energy (Sipla) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 11. | ReNew Solar Energy (Jharkhand One) Private Limited^ | ReNew Solar Power Private Limited | India | 100% | 100% |
| 12. | ReNew Solar Energy (Jharkhand Three) Private Limited* | ReNew Solar Power Private Limited | India | 51% | 100% |
| 13. | ReNew Solar Energy (Jharkhand Four) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 14. | ReNew Solar Energy (Jharkhand Five) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 15. | ReNew Wind Energy (Karnataka Two) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 16. | Abaha Wind Energy Developers Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 17. | ReNew Solar Energy Private Limited^ | ReNew Power Private Limited | India | 100% | 100% |
| 18. | ReNew Wind Energy (TN) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 19. | ReNew Wind Energy (Budh 3) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 20. | ReNew Wind Energy (MP One) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 21. | ReNew Solar Energy (Telangana) Private Limited* | ReNew Solar Power Private Limited | India | 51% | 51% |
| 22. | ReNew Power Services Private Limited^$ | ReNew Power Private Limited | India | 100% | 100% |
| 23. | ReNew Solar Energy (Karnataka Two) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 24. | ReNew Wind Energy (Shivpur) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 25. | ReNew Wind Energy (Karnataka) Private Limited* | ReNew Power Private Limited | India | 64% | 65% |
| 26. | ReNew Wind Energy (Karnataka 3) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 27. | ReNew Wind Energy (AP Five) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 28. | ReNew Saur Urja Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 29. | Bhumi Prakash Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 30. | Tarun Kiran Bhoomi Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 31. | ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited) | ReNew Solar Power Private Limited | India | 100% | 100% |
| 32. | ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited) | ReNew Solar Power Private Limited | India | 100% | 100% |
| 33. | ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited)* | ReNew Solar Power Private Limited | India | 51% | 51% |
| 34. | ReNew Wind Energy (Rajasthan 2) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 35. | ReNew Wind Energy (MP Two) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 36. | ReNew Wind Energy (Jath Three) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 37. | ReNew Wind Energy (Karnataka 4) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 38. | ReNew Wind Energy (Maharashtra) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 39. | ReNew Wind Energy (MP Four) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 40. | ReNew Wind Energy (AP2) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 41. | ReNew Wind Energy (Orissa) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 42. | ReNew Wind Energy (AP 4) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 43. | ReNew Wind Energy (Jadeswar) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 44. | ReNew Wind Energy (Welturi) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 45. | ReNew Solar Services Private Limited^$ (Formerly known as ReNew Wind Energy (Vaspet 4) Private Limited) | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 46. | ReNew Solar Energy (Rajasthan) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 47. | ReNew Wind Energy (Vaspet 5) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 48. | ReNew Solar Energy (Karnataka) Private Limited* | ReNew Solar Power Private Limited | India | 100% | 51% |
| 49. | ReNew Wind Energy (TN 2) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 50. | ReNew Wind Energy (Rajkot) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 51. | ReNew Wind Energy (Rajasthan) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 52. | ReNew Akshay Urja Limited (Formerly known as ReNew Akshay Urja Private Limited)* | ReNew Solar Power Private Limited | India | 56% | 56% |
| 53. | ReNew Wind Energy (Jath) Limited (Formerly known as ReNew Wind Energy (Jath) Private Limited) | ReNew Power Private Limited | India | 100% | 100% |
| 54. | ReNew Wind Energy (Rajasthan One) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 55. | ReNew Wind Energy (Rajasthan 3) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 56. | ReNew Solar Energy (TN) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 57. | ReNew Wind Energy (Karnataka Five) Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 58. | ReNew Wind Energy (MP Three) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 59. | ReNew Wind Energy (Rajasthan Four) Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 60. | ReNew Clean Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 61. | ReNew Distributed Solar Energy Private Limited^ | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 62. | ReNew Distributed Solar Services Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 63. | ReNew Distributed Solar Power Private Limited^ | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 64. | ReNew Surya Mitra Private Limited*^ | ReNew Solar Energy Private Limited | India | 1% | 100% |
| 65. | ReNew Surya Prakash Private Limited^ | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 66. | ReNew Saur Vidyut Private Limited^ | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 67. | ReNew Solar Daylight Energy Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 68. | ReNew Solar Sun Flame Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 69. | ReNew Power Singapore Pte. Ltd. | ReNew Power Private Limited | Singapore | 100% | 100% |
| 70. | Abha Sunlight Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |

(Amounts in INR millions, unless otherwise stated)

| | | | | | |
|---|---|---|---|---|---|
| 71. | Nokor Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 72. | Izra Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 73. | Zorya Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 74. | Vivasvat Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 75. | Nokor Bhoomi Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 76. | Akhilagya Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 77. | Adyah Solar Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 78. | ReNew Transmission Ventures Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 79. | Helios Infratech Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 80. | Shruti Power Projects Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 81. | Lexicon Vanijya Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 82. | Symphony Vyapaar Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 83. | Star Solar Power Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 84. | Sungold Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 85. | ReNew Energy Services Private Limited (formerly known as Sunsource Energy Services Private Limited) | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 86. | Molagavalli Renewable Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 87. | ReNew Vayu Urja Private Limited (Formerly known as KCT Renewable Energy Private Limited) | ReNew Power Private Limited | India | 100% | 100% |
| 88. | Rajat Renewables Limited | ReNew Power Private Limited | India | 100% | 100% |
| 89. | Kanak Renewables Limited | ReNew Power Private Limited | India | 100% | 100% |
| 90. | Bidwal Renewable Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 91. | Pugalur Renewable Private Limited | ReNew Power Private Limited | India | 100% | 100% |
| 92. | Aalok Solarfarms Limited # | Ostro Energy Private Limited | India | 75% | 49% |
| 93. | Abha Solarfarms Limited # | Ostro Energy Private Limited | India | 75% | 49% |
| 94. | AVP Powerinfra Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 95. | Badoni Power Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 96. | Heramba Renewables Limited # | Ostro Energy Private Limited | India | 75% | 49% |
| 97. | Ostro Alpha Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 98. | Ostro Anantapur Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 99. | Ostro Andhra Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 100. | Ostro AP Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 101. | Ostro Bhesada Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 102. | Ostro Dakshin Power Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 103. | Ostro Dhar Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 104. | Ostro Jaisalmer Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 105. | Ostro Kannada Power Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 106. | Ostro Kutch Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 107. | Ostro Madhya Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 108. | Ostro Mahawind Power Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 109. | Ostro Raj Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 110. | Ostro Rann Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 111. | Ostro Renewables Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 112. | Ostro Urja Wind Private Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 113. | Prathamesh Solarfarms Limited | Ostro Energy Private Limited | India | 100% | 100% |
| 114. | Shreyas Solarfarms Limited # | Ostro Energy Private Limited | India | 75% | 49% |
| 115. | Ostro Energy Private Limited | ReNew Power Services Private Limited | India | 100% | 100% |
| 116. | Zemira Renewable Energy Limited | ReNew Power Private Limited | India | 100% | 100% |
| 117. | ReNew Americas Inc. | ReNew Power Private Limited | United States of America | 100% | 100% |
| 118. | Auxo Solar Energy Private Limited | Renew Wind Energy (TN) Private Limited | India | 100% | 100% |
| 119. | ReNew Power International Limited | ReNew Power Private Limited | United Kingdom | 100% | 100% |
| 120. | Zorya Distributed Power Services Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 121. | ReNew Cleantech Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 122. | ReNew Sun Ability Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 123. | ReNew Mega Light Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 124. | ReNew Sun Waves Private Limited | ReNew Solar Energy (Jharkhand Four) Private Limited | India | 100% | 100% |
| 125. | ReNew Sun Flash Private Limited | ReNew Solar Energy Private Limited | India | 100% | 100% |
| 126. | ReNew Sun Bright Private Limited | ReNew Solar Energy (Jharkhand Four) Private Limited | India | 100% | 100% |
| 127. | ReNew Sun Energy Private Limited | ReNew Solar Power Private Limited | India | 100% | 100% |
| 128. | Auxo Sunlight Private Limited^ | ReNew Solar Power Private Limited | India | 100% | 100% |
| 129. | ReNew Services Private Limited | ReNew Power Private Limited | India | 100% | NA |
| 130. | ReNew Sun Power Private Limited | ReNew Solar Power Private Limited | India | 100% | NA |
| 131. | ReNew Mega Urja Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 132. | ReNew Mega Spark Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 133. | ReNew Mega Green Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 134. | ReNew Green Energy Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 135. | ReNew Green Power Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 136. | Greenyana Sunstream Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 137. | Renew Vyoman Power Private Limited | ReNew Power Private Limited | India | 100% | NA |
| 138. | Renew Vyoman Energy Private Limited | ReNew Power Private Limited | India | 100% | NA |
| 139. | Renew Vyan Shakti Private Limited | ReNew Power Private Limited | India | 100% | NA |

(Amounts in INR millions, unless otherwise stated)

| | | | | | |
|---|---|---|---|---|---|
| 140. | Shekhawati Solar Park Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 141. | Renew Green Solutions Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 142. | Renew Surya Roshni Private Limited | ReNew Solar Energy Private Limited | India | 100% | NA |
| 143. | Renew Solar Urja Private Limited | ReNew Solar Power Private Limited | India | 100% | NA |
| 144. | Renew Surya Ojas Private Limited | ReNew Solar Power Private Limited | India | 100% | NA |
| 145. | Renew Surya Vihaan Private Limited | ReNew Solar Power Private Limited | India | 100% | NA |

All the group companies listed above are engaed in generation of power through non-conventional and renewable energy sources except for ReNew Wind Energy (Jamb) Private Limited which is purely engaged in providing Engineering Procurement and Construction (“EPC”) services and ReNew Services Private Limited which is purely engaged in providing Operation and maintenance services

^ These companies are also engaged in providing Engineering Procurement and Construction (“EPC”) services apart from generation of power through non-conventional and renewable energy sources.

$These companies are engaged in provisding services for operation and management

* The remaining stakeholders in the respective entities have protective rights only. The group has evaluated that it has ability to use its power over the entities which entitile group to exposure/rights to variable returns, hence these have been accounted as subsidiaries in these consolidated financial statements of the group.

# These entities are under joint control and have been accounted for as equity method .

------------------------------------This space has been left blank intentionally----------------------------------------

(Amounts in INR millions, unless otherwise stated)

## 41 Related party disclosure

**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. Key management personnel or relatives of key management personnel:

Mr. Sumant Sinha, Chairman and Managing Director
Mr. Ravi Seth, Chief Financial Officer (till 2 September 2019)
Mr. D Muthukumaran (from 3 September 2019)
Mr. Ashish Jain, Company Secretary and Compliance Officer
Mr. Parag Sharma, Chief Operating Officer and head of solar business (from 26 April 2018 till 1 November 2019)
Mr. Balram Mehta, President of wind business (till 8 November 2019)
Mr. Ravi Parmeshwar, Chief Human Resource Officer (till 8 November 2019)
Mrs. Vaishali Nigam Sinha, CSR and Communication Officer

### II. Enterprise owned or significantly influenced by key management personnel or their relatives:

Cognisa Investment
Wisemore Advisory Private Limited
ReNew Foundation

### III. Enterprise under joint control:

Prathamesh Solarfarms Limited (till 30 January 2019)
Heramba Renewables Limited
Aalok Solarfarms Limited
Shreyas Solarfarms Limited
Abha Solarfarms Limited

### IV. Remuneration to key managerial personnel (KMP):

| | For the year ended | |
|---|---|---|
| | 31-Mar-20 | 31-Mar-19 |
| Remuneration to key managerial personnel | 413 | 456 |

Above remuneration includes share based payment of INR 179 (31 March 2019: INR 241) and gratuity and leave encashment expense of INR 15 (31 March 2019: INR 17)

### V. Transactions and balances with enterprises under joint control:

| Transactions during the year end | Prathamesh Solarfarms Limited | | Heramba Renewables Limited | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Unsecured loan received | - | 729 | - | 84 |
| Unsecured loan repaid | - | 156 | 11 | 15 |
| Interest expense on unsecured loan received | - | 10 | 5 | 1 |
| Expenses incurred on behalf of the related party | - | 3 | 0 | - |
| Expenses incurred on behalf by the related party | - | 0 | - | - |
| Income from management shared services | - | 13 | 5 | 5 |
| Income from operation & maintenance services | | | 5 | - |
| Interest income on compulsorily convertible debentures | - | - | 21 | - |
| 'Others (refer note ) | - | 385 | - | - |
| Bank guarantee released from project lender(s) | - | 193 | - | - |

| Transactions during the year end | Aalok Solarfarms Limited | | Shreyas Solarfarms Limited | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Unsecured loan given | - | - | - | 5 |
| Unsecured loan received | - | 42 | - | 84 |
| Unsecured loan repaid | 7 | 5 | 12 | 13 |
| Expenses incurred on behalf of the related party | - | 0 | 0 | - |
| Expenses incurred on behalf by the related party | - | - | - | 0 |
| Interest income on unsecured loan given | - | 0 | 0 | - |
| Income from operation & maintenance services | 3 | - | 5 | - |
| Interest expense on unsecured loan received | 2 | 0 | 5 | 1 |
| Interest income on compulsorily convertible debentures | 12 | - | 23 | - |
| Income from management shared services | 3 | 2 | 5 | 5 |

| Transactions during the year end | Abha Solarfarms Limited | |
|---|---|---|
| | 31 March 2020 | 31 March 2019 |
| Unsecured loan received | 43 | - |
| Interest expense on unsecured loan received | 3 | - |
| Expenses incurred on behalf of the related party | 0 | 3 |
| Expenses incurred on behalf by the related party | - | 0 |
| Income from operation & maintenance services | 3 | - |
| Income from management shared services | 3 | 2 |
| Interest income on compulsorily convertible debentures | 11 | - |

(Amounts in INR millions, unless otherwise stated)

| **Balances as on year end** | **Prathamesh Solarfarms Limited** | | **Heramba Renewables Limited** | |
|---|---|---|---|---|
| | **31 March 2020** | **31 March 2019** | **31 March 2020** | **31 March 2019** |
| Trade receivable | - | - | 11 | 6 |
| Recoverable from related party | - | - | 3 | 3 |
| Unsecured loan payable | - | - | 58 | 69 |
| Interest expense accrued on unsecured loan payable | - | - | 5 | 1 |
| Unbilled operation & maintenance revenue | | | 6 | - |
| Interest accrued on compulsorily convertible debentures | - | - | 19 | - |
| Corporate guarantee outstanding to project lender(s) | - | - | 148 | 148 |

| **Balances as on year end** | **Aalok Solarfarms Limited** | | **Shreyas Solarfarms Limited** | |
|---|---|---|---|---|
| | **31 March 2020** | **31 March 2019** | **31 March 2020** | **31 March 2019** |
| Trade receivable | 6 | 3 | 12 | 6 |
| Unsecured loan payable | 30 | 37 | 59 | 71 |
| Unsecured loan receivable | - | - | 5 | 5 |
| Unbilled operation & maintenance revenue | 3 | - | 6 | - |
| Interest expense accrued on unsecured loan payable | 3 | 0 | 5 | 1 |
| Interest income accrued on unsecured loan receivable | - | - | 0 | 0 |
| Interest accrued on compulsorily convertible debentures | 11 | - | 21 | - |
| Recoverable from related party | 3 | 3 | 3 | 2 |
| Corporate guarantee outstanding to project lender(s) | 74 | 74 | 148 | 148 |

| **Balances as on year end** | **Abha Solarfarms Limited** | |
|---|---|---|
| | **31 March 2020** | **31 March 2019** |
| Trade receivable | 6 | 3 |
| Trade payable | 0 | 0 |
| Unbilled operation & maintenance revenue | 3 | - |
| Interest expense accrued on unsecured loan payable | 3 | - |
| Unsecured loan payable | 43 | - |
| Recoverable from related party | 6 | 6 |
| Interest accrued on compulsorily convertible debentures | 10 | - |
| Corporate guarantee outstanding to project lender(s) | 74 | 74 |

**VI. Transactions with other related parties:**

| **Transactions during the year end** | **ReNew Foundation** | |
|---|---|---|
| | **31 March 2020** | **31 March 2019** |
| Contribution for CSR activities | 3 | 0 |

(Amounts in INR millions, unless otherwise stated)

## 42 Segment information

The Chairman and Managing Director of ReNew Power 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 Group discloses segment information in a manner consistent with internal reporting to Chairman and Managing Director. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Group entities does not operate in more than one geographical segment. The 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 balance for each reportable segment is not reviewed by or provided to the CODM.

| Particulars | For the year ended 31 March 2020 | | | For the year ended 31 March 2019 | | |
|---|---|---|---|---|---|---|
| | Wind Power | Solar Power | Total | Wind Power | Solar Power | Total |
| Revenue from operations | 31,803 | 16,598 | 48,401 | 29,480 | 13,637 | 43,117 |
| Less: Inter-segment | - | - | - | - | - | - |
| **Revenues from external customers** | **31,803** | **16,598** | **48,401** | **29,480** | **13,637** | **43,117** |
| Other income (other than interest income) | 2,977 | 594 | 3,572 | 3,701 | 636 | 4,337 |
| **Total** | **34,780** | **17,193** | **51,972** | **33,181** | **14,273** | **47,454** |
| Add: Unallocable income | - | - | 1,245 | - | - | 448 |
| **Total Income** | **34,780** | **17,193** | **53,217** | **33,181** | **14,273** | **47,902** |
| Less: Employee benefits and other expenses | 4,067 | 2,889 | 6,956 | 3,530 | 1,140 | 4,670 |
| Less: Unallocable expenses | | | 1,557 | - | - | 1,620 |
| **Total Expenses** | **4,067** | **2,889** | **8,513** | **3,530** | **1,140** | **6,290** |
| **Earning before interest, tax, depreciation and amortization (EBITDA)** | **30,713** | **14,304** | **44,704** | **29,652** | **13,134** | **41,612** |
| Depreciation and amortization expense (net) | | | 14,819 | | | 12,459 |
| Finance costs | | | 33,542 | | | 26,811 |
| **Profit before tax** | | | **(3,657)** | | | **2,342** |

The revenues from four major customers amounts to INR 23,312 (31 March 2019: INR 19,970) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from Wind Segment amounts to INR 15,982 (31 March 2019: INR 13,770) and Solar Segment amounts to INR 7,330 (31 March 2019: INR 6,200).

-----------------------------------This space has been left blank intentionally---------------------------------------

(Amounts in INR millions, unless otherwise stated)

**43 Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the group:

| | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|
| | Carrying value | Fair value | Carrying value | Fair value |
| **Financial assets** | | | | |
| **Measured at amortised cost** | | | | |
| Security deposits | 131 | 131 | 92 | 92 |
| Bank deposits with remaining maturity for more than twelve months | 142 | 142 | 92 | 92 |
| Trade receivables | 26,071 | 26,071 | 19,276 | 19,276 |
| Cash and cash equivalent | 13,089 | 13,089 | 10,115 | 10,115 |
| Bank balances other than cash and cash equivalent | 31,203 | 31,203 | 15,385 | 15,385 |
| Advances recoverable | 233 | 233 | 221 | 221 |
| Interest accrued on fixed deposits | 607 | 607 | 396 | 396 |
| Government grant receivable | 1,749 | 1,749 | 1,428 | 1,428 |
| Loans to related parties | 5 | 5 | 5 | 5 |
| Interest accrued on loans to related parties | 0 | 0 | 0 | 0 |
| Recoverable from related parties | 15 | 15 | 14 | 14 |
| Other current financial assets | 53 | 53 | 92 | 92 |
| **Measured at FVTPL** | | | | |
| Investments-non current, unquoted debt securities | 624 | 624 | 408 | 408 |
| **Measured at FVOCI** | | | | |
| Derivative instruments | 8,718 | 8,718 | 774 | 774 |
| **Financial liabilities** | | | | |
| **Measured at amortised cost** | | | | |
| Non Convertible Debentures | 45,211 | 45,211 | 63,194 | 63,194 |
| Term loan from bank | 53,924 | 53,924 | 84,739 | 84,739 |
| Term loan from financial institutions | 92,489 | 92,489 | 49,674 | 49,674 |
| Compulsorily convertible debentures | 553 | 553 | 692 | 692 |
| Buyer's / Supplier's credit | - | - | 4,269 | 4,269 |
| Senior secured notes | 128,160 | 128,160 | 61,855 | 61,855 |
| Acceptances | - | - | 4,904 | 4,904 |
| Compulsorily convertible preference shares | 23,200 | 23,200 | - | - |
| Interest accrued but not due on borrowings | 1,692 | 1,692 | 1,319 | 1,319 |
| Interest accrued but not due on debentures | 371 | 371 | 448 | 448 |
| Capital creditors | 8,926 | 8,926 | 13,109 | 13,109 |
| Purchase consideration payable | 272 | 272 | 1,019 | 1,019 |
| Other payables | 109 | 109 | 40 | 40 |
| Short-term borrowings | 12,191 | 12,191 | 20,657 | 20,657 |
| Trade payables | 3,690 | 3,690 | 3,029 | 3,029 |
| **Measured at FVOCI** | | | | |
| Derivative instruments | - | - | 895 | 895 |

The management of the group assessed that cash and cash equivalents, trade receivables, trade payables, short term borrowings, 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**

**i** The fair values of the Group's term loans from financial institutions 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 2020 was assessed to be insignificant.

**ii** The fair values of the liability component of compulsory convertible prefrence shares including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the 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 2020 was assessed to be insignificant.

**iii** The fair values of the security deposits given 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.

**iv** The Group enter into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Cross currency interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the currency, interest rate curves and forward rate curves of the underlying instrument. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.

**44 Fair value hierarchy**

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:
i) Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
ii) Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
iii) Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the assets and liabilities of the group :-

**Quantitative disclosures fair value measurement hierarchy for assets/liabilities as at period end:**

| | | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|---|
| | Level of fair value measurement | Carrying value | Fair value | Carrying value | Fair value |
| **Financial assets measured at amortised cost** | | | | | |
| **Financial Assets (Non Current)** | | | | | |
| Security deposits | Level 3 | 126 | 126 | 77 | 77 |
| **Total** | | **126** | **126** | **77** | **77** |
| | | | | | |
| **Financial Assets (Current): Others** | | | | | |
| Government grant receivable | Level 3 | 1,749 | 1,749 | 1,428 | 1,428 |
| Loans to related parties | Level 3 | 5 | 5 | 5 | 5 |
| Recoverable from related parties | Level 3 | 15 | 15 | 14 | 14 |
| Security deposits | Level 3 | 5 | 5 | 15 | 15 |
| **Total** | | **1,774** | **1,774** | **1,462** | **1,462** |

(Amounts in INR millions, unless otherwise stated)

| | | | | | |
|---|---|---|---|---|---|
| **Measured at fair value through Profit and Loss** | | | | | |
| Investments | Level 3 | **624** | **624** | **408** | **408** |
| **Measured at fair value through other comprehensive income** | | | | | |
| Derivative instruments | Level 2 | **8,718** | **8,718** | **774** | **774** |
| **Financial liabilities measured at amortised cost** | | | | | |
| **Long-term borrowings** | | | | | |
| Non convertible debentures | Level 3 | 45,211 | 45,211 | 63,194 | 63,194 |
| Compulsorily convertible debentures | Level 3 | 553 | 553 | 692 | 692 |
| Term loan from bank | Level 3 | 53,924 | 53,924 | 84,739 | 84,739 |
| Term loan from financial institutions | Level 3 | 92,489 | 92,489 | 49,674 | 49,674 |
| Buyer's / Supplier's credit | Level 3 | - | - | 4,269 | 4,269 |
| Acceptances | Level 3 | - | - | 4,904 | 4,904 |
| Compulsorily convertible preference shares | Level 3 | 23,200 | 23,200 | - | - |
| Senior secured notes | Level 3 | 128,160 | 128,160 | 61,855 | 61,855 |
| **Total** | | **344,923** | **344,923** | **269,327** | **269,327** |
| **Measured at fair value through Other comprehensive income** | | | | | |
| Derivative instruments | Level 2 | **-** | **-** | **895** | **895** |

| **Particulars** | **Fair value hierarchy** | **Valuation technique** | **Inputs used** |
|---|---|---|---|
| **Financial assets measured at fair value through profit & loss** | | | |
| Investments | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| **Financial assets measured at fair value through other comprehensive income** | | | |
| Derivative instruments | Level 2 | Market value techniques | Forward foreign currency exchange rates, interest rates to discount future cash flows |
| **Financial assets measured at amortised cost** | | | |
| Security deposits | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Government grant receivable | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Loans to related parties | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Recoverable from related parties | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| **Financial liabilities measured at fair value through other comprehensive income** | | | |
| Derivative instruments | Level 2 | Market value techniques | Forward foreign currency exchange rates, interest rates to discount future cash flows |
| **Financial liabilities measured at amortised cost** | | | |
| Non convertible debentures | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Compulsorily convertible debentures | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Term loan from bank | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Term loan from financial institutions | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Acceptances | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Buyer's / Supplier's credit (secured) | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Senior secured notes | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |
| Compulsorily convertible preference shares | Level 3 | Discounted cash flow | Prevailing interest rates in the market, Future cash flows |

(Amounts in INR millions, unless otherwise stated)

**45 Financial Risk Management objectives and policies**

The financial liabilities comprise loans and borrowings, derivative liabilities, trade payable and other financial liabilities.

The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, derivative assets, trade receivables, cash and cash equivalents and other financial assets. The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Company's senior management is supported by a various sub committees that advises on financial risks and the appropriate financial risk governance framework for the Company. These committees provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**Market Risk**

Market risk is the risk that the 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. 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 2020 and 31 March 2019. 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 2020.

**(i) 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 Group is exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. In case of external commercial borrowings ("ECB") and buyers credit the Group believes that the exposure of Group to changes in market interest rates is insignificant as the respective companies manage the risk by hedging the changes in the market interest rates through cross currency interest rate swaps. The Group also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

**Interest Rate Sensitivity**

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. floating interest rate borrowings in INR and USD. Interest rate sensitivity has been calculated for borrowings with floating rate of Interest. For borrowings with fixed rate of interest sensitivity disclosure has not been made. With all other variables held constant, the Group's profit before tax is affected through the impact on financial liabilities, as follows:

| | **31 March 2020** | | **31 March 2019** | |
|---|---|---|---|---|
| | **Increase/decrease in basis points** | **Effect on profit before tax** | **Increase/decrease in basis points** | **Effect on profit before tax** |
| INR | +/(-)50 | (-)/+615 | +/(-)50 | (-)/+499 |
| US dollar | - | - | +/(-)60 | (-)/+3 |

| | **31 March 2020** | | **31 March 2019** | |
|---|---|---|---|---|
| | **Increase/decrease in basis points** | **Effect on equity** | **Increase/decrease in basis points** | **Effect on equity** |
| INR | +/(-)50 | (-)/+397 | +/(-)50 | (-)/+228 |
| US dollar | - | - | +/(-)60 | (-)/+1 |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment. Though there is exposure on account of Interest rate movement as shown above but the Group minimises the foreign currency (US dollar) interest rate exposure through derivatives and INR interest rate exposure through re-financing.

**(ii) 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 Group is exposed to foreign currency risk arising from imports of goods in US dollars. The Group hedges its exposure to fluctuations on the translation into INR of its buyer's/supplier's credit by using foreign currency swaps and forward contracts. The Group has followed a conservative approach for hedging the foreign currency risk so as to not use complex forex derivatives and foreign currency loan. The Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Group does not undertake any speculative transaction.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and INR exchange rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary liabilities comprising of buyer's/supplier's credit in US dollars. The impact on the group's pre-tax equity is due to changes in the fair value of cross-currency interest-rate swaps (CCIRS) designated as cash flow hedges. The group's exposure to foreign currency changes for all other currencies is not material.

| | **31 March 2020** | | **31 March 2019** | |
|---|---|---|---|---|
| Change in USD rate | 5% | -5% | 5% | -5% |
| Effect on profit before tax | - | - | (23) | 23 |

**(iii) Credit Risk**

Credit risk is the risk that the power procurer will not meet their obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from their operating activities (primarily trade receivables) and from its financing activities but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further the group sought to reduce counterparty credit risk under 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 2020 and 31 March 2019 is the carrying amount of all the financial assets.

**Trade Receivables**

Customer credit risk is managed basis established policies of Group, procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Group does not hold collateral as security. The group has majorly state utilities/government entities as its customers with high credit worthiness and therefore the group does not see any significant 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.

**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, loans and other investments, 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 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.

(Amounts in INR millions, unless otherwise stated)

**(iv) Liquidity Risk**

Liquidity risk is the risk that the 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 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 Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The 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 and solar power plants and related assets. The Group's non-recourse financing is designed to limit default risk and is a combination of fixed and variable interest rate instruments. 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. 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 group based on contractual undiscounted payments:

| As at 31 March 2020 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|---|---|
| **Borrowings (Other than preference shares)#** | | | | | | |
| Unlisted redeemable, non cumulative and non convertible debentures* | - | - | - | 35,647 | 18,903 | 54,550 |
| Compulsorily convertible debentures | - | - | 65 | 261 | 745 | 1,071 |
| Term loan from banks* | - | - | - | 26,152 | 52,337 | 78,489 |
| Loans from financial institutions* | - | - | - | 53,874 | 119,986 | 173,860 |
| Senior secured notes* | - | - | - | 130,525 | 23,088 | 153,613 |
| **Short term borrowings** | | | | | | |
| Acceptances (secured) | - | 293 | 310 | - | - | 603 |
| Loan from related party (unsecured) | 190 | - | - | - | - | 190 |
| Loan from body corporate (unsecured) | 43 | - | - | - | - | 43 |
| Buyer's / Supplier's credit (secured) | - | 583 | 3,927 | - | - | 4,509 |
| Working capital term loan (secured) | - | 5,630 | - | - | - | 5,630 |
| Loan from bank (secured) | - | 1,230 | - | - | - | 1,230 |
| **Lease liabilities** | | 104 | 148 | 767 | 3,312 | 4,332 |
| **Other financial liabilities** | | | | | | |
| Current maturities of long term borrowings* | - | 10,983 | 37,001 | - | - | 47,984 |
| Interest accrued but not due on borrowings | - | 537 | 1,156 | - | - | 1,692 |
| Interest accrued but not due on debentures | - | 242 | 129 | - | - | 371 |
| Derivative instruments | - | - | - | - | - | - |
| Capital creditors | - | 8,926 | - | - | - | 8,926 |
| Purchase consideration payable | - | 272 | - | - | - | 272 |
| **Trade payables** | | | | | | |
| Trade payables | - | 3,690 | - | - | - | 3,690 |

* Including future interest payments.

#The Company has issued Compulsorily convertible preference shares, which are mandatorily convertible into equity shares. These CCPS are excluded from maturity profile of financial liabilities since there is no cash outlow involved.

(Amounts in INR millions, unless otherwise stated)

| As at 31 March 2019 | On demand | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total |
|---|---|---|---|---|---|---|
| **Borrowings** | | | | | | |
| Unlisted redeemable, non cumulative and non convertible debentures* | - | - | - | 56,175 | 24,706 | 80,881 |
| Compulsorily convertible debentures | - | - | - | - | 692 | 692 |
| Term loan from banks* | - | - | - | 54,237 | 81,868 | 136,104 |
| Loans from financial institutions* | - | - | - | 28,978 | 70,368 | 99,345 |
| Senior secured notes* | - | - | - | 79,528 | - | 79,528 |
| Acceptances | - | - | - | 4,904 | - | 4,904 |
| **Short term borrowings** | | | | | | |
| Loans from related party | | - | - | - | - | - |
| Acceptances | - | 3,535 | 5,481 | - | - | 9,016 |
| Loan from related party (unsecured) | 177 | - | - | - | - | 177 |
| Loan from body corporate | 41 | - | - | - | - | 41 |
| Buyer's / Supplier's credit | - | - | 3,625 | - | - | 3,625 |
| Working capital term loan (secured) | - | 3,970 | 3,846 | - | - | 7,816 |
| **Other financial liabilities** | | | | | | |
| Current maturities of long term borrowings* | - | 9,046 | 31,609 | - | - | 40,655 |
| Interest accrued but not due on borrowings | - | 776 | 544 | - | - | 1,319 |
| Interest accrued but not due on debentures | - | 331 | 116 | - | - | 448 |
| Derivative instruments | - | 895 | - | - | - | 895 |
| Capital creditors | - | 13,109 | - | - | - | 13,109 |
| Purchase consideration payable | - | 1,019 | - | - | - | 1,019 |
| **Trade payables** | | | | | | |
| Trade payables | - | 3,029 | - | - | - | 3,029 |

* Including future interest payments.

The Group has estimated its ability to service the debt repayment obligations and maintain adequate liquidity for its operations by considering the estimates around expected future cash flows, realization of existing and future receivables, forecasted results and its operational performance. Further, Group is actively engaged in discussions with various lenders for securing funds for its projects in pipeline and refinancing of its existing debt obligations on maturity. Group basis its assessment is confident of generating adequate inflows for meeting its liabilities maturing over next 12 months.

(Amounts in INR millions, unless otherwise stated)

## 46 Capital management

For the purpose of the capital management, capital includes issued equity capital, compulsorily convertible debentures, compulsorily convertible preference shares, Securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's management is to maximise the shareholder value.

The 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, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings and other payables, less cash and short-term deposits. Group systematically evaluates opportunities for managing its assets including that of buying new assets, partially or entirely sell existing assets and potential new joint ventures. Crystallization of any such opportunity shall help the Group in improving the overall portfolio of assets, cash flow management and shareholder returns.

The policy of the Group is to keep the gearing ratio of the power project to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with the industry standard ratio. The current gearing ratios of the various projects in the Group is between 3:1 to 4:1.

In order to achieve this overall objective, the capital management of the 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.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2020.

## 47 Commitments Liabilities and Contingencies
**(to the extent not provided for)**

### (i) Contingent liabilities

| Description | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Contingent liabilities on account of liquidated damages for delay in project commissioning. The management believes that any amount of liquidated damages to be levied by customer shall be entirely reimbursable from capital vendors of respective projects and from purchase consideration pending to be paid as per the contract clauses, accordingly no amount is provided in consolidated financial statements as of 31 March 2020. | 242 | - |
| Contingent liabilities on account of demand received of safeguard duty under custom act for 31 March 2019. | - | 327 |

### (ii) Commitments:

**Estimated amount of contracts remaining to be executed on capital account and not provided for**
At 31 March 2020, the group has capital commitment (net of advances) pertaining to commissioning of wind & solar energy projects of INR 11,955 (31 March 2019: 29,072).

## 48 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 2020 | As at 31 March 2019 |
|---|---|---|
| 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 | 52 | 4 |
| 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 | Nil | Nil |
| The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) 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; and | 2 | 0 |
| 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 |

## 49 Corporate social responsibility expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities as follows :-

1) Sanitation & making available safe drinking water- Construction of toilets, Bore-well, well, Tube-well etc.
2) Empowering women through SHGs (self-help group) and creating income generation activities for the women like stitching and tailoring, goatery, backyard poultry etc.)
3) Ensuring environmental sustainability- animal welfare Plantation, environment awareness,
4) Animal Welfare-Animal health camp, Para -vet training
5) Education awareness, Remedial classes for weak students etc.
6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.
7) Sports Training- Sports training camps in community
8) Education facility improvement- Construction of solar power plant in schools

(Amounts in INR millions, unless otherwise stated)

A CSR committee has been formed by the respective Company as per the Act. The funds were utilised on above mentioned activities which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the group during the year is INR 64 (31 March 2019: INR 46).

(b) Amount spent during the year on:

| List of CSR activities | In Cash | Yet to be paid | Total |
|---|---|---|---|
| **Current year** | | | |
| Construction / Acquisition of any asset | - | - | - |
| Other activities | 26 | 47 | 73 |
| **Total** | **26** | **47** | **73** |
| | | | |
| **Previous year*** | | | |
| Construction / Acquisition of any asset | 3 | 3 | 6 |
| Other activities | 31 | 16 | 47 |
| **Total** | **34** | **19** | **53** |

* The amount yet to be paid in previous year has been subsequently paid in current year.

## 50 Hedging activities and derivatives

### Derivatives designated as hedging instruments

The Group uses certain types of derivative financial instruments (viz. forwards contracts, swaps) to manage/mitigate their exposure to foreign exchange and interest risk. Further, the group designates such derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation and interest risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow hedge'). The effective portion of changes in the fair value of derivative financial instruments (or its components) that are designated and qualify as cash flow hedges, are recognised in the other comprehensive income and held in Cash flow hedge reserve - a component of Equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss within other income / other expenses. The amounts accumulated in Equity for highly probable forecast transaction are added to carrying value of non financial asset or non financial liability as basis adjustment, other amounts accumulated in Equity are re-classified to the statement of profit and loss in the years when the hedged item affects profit / (loss).

At any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss within other income / other expenses.

### Cash flow hedges

Hedge has been taken against exposure to foreign currency risk and variable interest outflow on external commercial borrowings, buyer's credit and highly probable forecast transactions. Terms of the derivative contracts and their respective impact on OCI and statement of profit and loss is as below:-

**-Buyers credit / Suppliers credit (included in long term/short term borrowings)**
Pay fixed INR and receive USD and pay fixed interest at 2.27% to 2.51% p.a. and receive a variable interest at 12 month LIBOR plus 0.4% p.a. on the notional amount.

**-Loan (included in long term borrowings)**
Pay fixed INR and receive USD and pay fixed interest at 8.67% to 10.23% p.a. and receive a variable interest at 3 month LIBOR plus 2.25% to 6 months LIBOR plus 3.05% p.a. on the notional amount.

**-Notes (included in long term borrowings)**
Pay fixed INR and receive USD and pay fixed interest in INR at 6.06% to 10.74% p.a. and receive a fixed interest in USD at 5.58% p.a to 6.87% p.a on the notional amount.

The cash flow hedges through CCS of USD 301,029,136, COS 1,119,304,936 and Call Spread of USD 299,304,936, Call Option of USD 951,747,401 and forwards of USD 574,549,077 outstanding at the year ended 31 March 2020 were assessed to be highly effective and a mark to market loss of INR 516 (31 March 2019: INR 705) with a deferred tax liability of INR 1675 (31 March 2019: INR 181), is included in OCI.

### Foreign currency and Interest rate risk

Forward contracts and swaps at fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principal payments in USD/CNH.

| | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|
| | **Assets** | **Liabilities** | **Assets** | **Liabilities** |
| Derivative contracts designated as hedging instruments | 8,718 | - | 774 | 895 |

| **Hedge reserve movement** | **As at 31 March 2020** | **As at 31 March 2019** |
|---|---|---|
| **Balance at the beginning (after non controlling interest)** | (512) | (271) |
| Gain/(loss) recognised on cash flow hedges | 373 | (869) |
| Gain/(loss) reclassified to profit or loss | 8 | (5) |
| Gain/(loss) reclassified to non financial assets or liabilities as basis adjustment | 559 | 230 |
| Gain/(loss) reclassified to profit or loss as hedged future cash flows are no longer expected to occur | 280 | 295 |
| Income tax relating on cash flow hedges | (1,856) | 91 |
| Balance at the end | (1,148) | (529) |
| Less: Non controlling interest movement | 62 | 17 |
| **Balance at the end (after non controlling interest)** | (1,086) | (512) |

(Amounts in INR millions, unless otherwise stated)

**51** Certain subsidiaries companies (the "AP entities") have entered into long-term Power Purchase Agreements ("PPAs") having a cumulative capacity of 777 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:

1. 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 2020 the cumulative amount recoverable from the APDISCOM pertaining to period from February 2017 till July 2018, included in trade receivables amounts to INR 1,004. 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, 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 and therefore the outstanding amount is recoverable and hence no adjustment has been made in the consolidated financial statements in this regard.

2. 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:

a) Writ petition is allowed, and both GO the subsequent letters are set aside.
b) Further, APDISCOM were instructed to honour pending and future bills and pay the same at the interim rate of Rs. 2.44/2.43 per unit.
c) Andhra Pradesh Electricity Regulatory Commission (the "APERC") to dispose off the case within a time frame of six months.

The AP Entities have filed a Writ Appeal before the division bench of the AP High Court challenging the jurisdiction of APERC in entertaining the said matter. Parallelly, the AP Entities have filed another Writ Appeal before the division bench of the AP High Court challenging AP High Court's direction to the APDISCOM to tariff at interim rate.

The AP entities have a net block of INR 49,617 as at March 31, 2020 and have recognised a revenue of INR 6,911 for the year ended 31 March 2020 and have a trade receivable balance of INR 8,945 as on 31 March 2020 from sale of electricity against such PPAs [including an amount of INR 1,004 for GBI receivable as explained in part (1) to the note].

The management basis legal opinion obtained by it, believes that it has strong merits in the case and the final order would be in its favour and hence no adjustment has been made in the consolidated financial statements including provision for expected credit loss and impairment.

**52** **Break up of investments in entities under joint control is as under -**

| Name of Companies | Investment as at 31 March 2019 | Addition during the year | Share in loss of jointly controlled entity | Investment as at 31 March 2020 |
|---|---|---|---|---|
| Abha Solarfarms Limited | | | | |
| As at 31 March 2020 | 84 | 15 | (10) | 89 |
| As at 31 March 2019 | 88 | - | (4) | 84 |
| Heramba Renewables Limited | | | | |
| As at 31 March 2020 | 157 | 29 | (16) | 170 |
| As at 31 March 2019 | 161 | - | (5) | 157 |
| Aalok Solarfarms Limited | | | | |
| As at 31 March 2020 | 85 | 15 | (9) | 91 |
| As at 31 March 2019 | 89 | - | (3) | 85 |
| Shreyas Solarfarms Limited | | | | |
| As at 31 March 2020 | 163 | 29 | (18) | 174 |
| As at 31 March 2019 | 170 | - | (7) | 163 |

(Amounts in INR millions, unless otherwise stated)

**53 Business combinations**

The group have acquired unlisted companies based in India and carrying out business activities relating to generation of power through non-conventional and renewable energy sources, in exchange for cash consideration. The group acquired these entities because management believes that the acquisition would enable the group to strengthen its position in renewable energy sector.

**Assets acquired and liabilities assumed**
The fair values of the identifiable assets and liabilities as at the date of acquisition were:

| **Particulars** | **For the year ended 31 March 2019**<br>**Prathamesh Solarfarms Limited** |
|---|---|
| **Acquisition date** | **30 January 2019** |
| **Segment** | **Solar** |
| **Assets** | **INR** |
| Property plant and equipment | 3,199 |
| Intangibles (customer contracts) | 88 |
| Loans | 573 |
| Prepayments - non current | 0 |
| Other non-current assets | 102 |
| Trade receivables | 339 |
| Prepayments - current | 1 |
| Cash and cash equivalents | 7 |
| Others current financial assets | 11 |
| Other current assets | 10 |
| Deferred tax assets (net) | 51 |
| | 4,381 |
| **Liabilities** | |
| Long-term borrowings | 3,255 |
| Trade payables | 30 |
| Other current financial liabilities | 221 |
| Other current liabilities | 2 |
| | 3,508 |
| Total identifiable net assets at fair value | **872** |
| Goodwill on acquisition | 428 |
| Purchase consideration transferred | 1,301 |

Goodwill recognised represents the future economic and synergy benefits arising from assets acquired to strengthen it's position in renewable energy sector. Goodwill is allocated entirely to the solar power plant. None of the goodwill recognised is expected to be deductible for income tax purposes.

The acquisition date fair value of the equity interest held by the Group immediately before the acquisition date was INR 314. The group has recognised INR 77 gain as a result of remeasurment to fair value the equity interest in the entity. The fair value gain has been included in Other income of the group.

From the date of acquisition, acquired entity has contributed in revenue and profit/loss before tax follows:

| **Particulars** | **From the date of acquisition till 31 March 2019**<br>**Prathamesh Solarfarms Limited** |
|---|---|
| Revenue | 168 |
| Profit before tax | 27 |

If the combination had taken place at the beginning of the year, revenue from operations and the loss before tax would have been:

| **Particulars** | **For the year ended 31 March 2019**<br>**Prathamesh Solarfarms Limited** |
|---|---|
| Revenue | 607 |
| Profit before tax | 24 |

(Amounts in INR millions, unless otherwise stated)

**Transaction with non-controlling interests**

**(i) Acquisition of additional interest**
On 19 June 2019, the Group acquired an additional 49% interest in the voting shares of ReNew Solar Energy (Karnataka) Private Limited, increasing its ownership interest to 100%. Cash consideration of INR 561 was paid to the non-controlling shareholders.

The carrying value of the net assets of ReNew Solar Energy (Karnataka) Private Limited (excluding goodwill on the original acquisition) was INR 687. The carrying value of the additional interest acquired at the date of acquisition was INR 337.
Following is a schedule of additional interest acquired in ReNew Solar Energy (Karnataka) Private Limited:

| Particulars | ReNew Solar Energy (Karnataka) Private Limited |
|---|---|
| **Date of transaction with non-controlling interests** | **19 June 2019** |
| **Segment** | **Solar** |
| **Change in interest (%)** | **49.00%** |
| **Assets** | **INR** |
| Carrying value of the additional interest | 337 |
| Cash consideration paid to non-controlling shareholders | 561 |
| Difference recognised in capital reserve within equity | (224) |

**(ii) Change in interest without loss of control**
On 28th March ,2020, the Group entered into an transaction with GS Engineering & Construction Corp to issue equity equivalent to 49% interest in the voting shares of ReNew Solar Energy (Jharkhand Three) Private Limited, decreasing its ownership interest to 51%. Cash consideration of INR 832 was received from the non-controlling shareholders.

The carrying value of the net assets of ReNew Solar Energy (Jharkhand Three) Private Limited was INR 601.

On 04th March, 2020, the Group entered into an transaction with investors to issue 98.61% interest in the voting shares of ReNew Surya Mitra Private Limited, decreasing its ownership interest to 1.39%. Cash consideration of INR 14 was received from the non-controlling shareholders.

The carrying value of the net assets of ReNew Surya Mitra Private Limited was INR (0).

Following is a schedule of change in interest without loss of control:

| Particulars | ReNew Solar Energy (Jharkhand Three) Private Limited | ReNew Surya Mitra Private Limited |
|---|---|---|
| **Date of transaction with non-controlling interests** | **28 March 2020** | **04 March 2020** |
| **Segment** | **Solar** | **Solar** |
| **Change in interest (%)** | **(49.00%)** | **(98.61%)** |
| | **INR** | **INR** |
| Carrying value of the interest transferred | 1 | (0) |
| Cash consideration received from non-controlling shareholders | 832 | 14 |
| Recognised in non-controlling interests within equity | 833 | 14 |

(Amounts in INR millions, unless otherwise stated)

**54 Additional disclosure as required under Schedule III of Companies Act, 2013:**

| Name of the entity | As at 31 March 2020 | | For the year ended 31 March 2020 | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Net Assets | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount |
| **Parent** | **38%** | **71,210** | **51%** | **(2,620)** | **134%** | **(848)** | **61%** | **(3,468)** |
| **Indian subsidiaries** | | | | | | | | |
| ReNew Wind Energy (Rajasthan) Private Limited | 1% | 1,697 | (2%) | 110 | 0% | - | (2%) | 110 |
| ReNew Wind Energy (Welturi) Private Limited | 0% | 163 | 0% | (14) | 0% | - | 0% | (14) |
| ReNew Wind Energy (Devgarh) Private Limited | 2% | 3,265 | (5%) | 274 | 37% | (209) | (1%) | 64 |
| ReNew Wind Energy (Karnataka) Private Limited | 1% | 1,471 | (0%) | 12 | 0% | - | (0%) | 12 |
| ReNew Wind Energy (AP) Private Limited | 1% | 1,399 | (1%) | 39 | 0% | - | (1%) | 39 |
| ReNew Wind Energy (Rajkot) Private Limited | 1% | 1,638 | (1%) | 46 | 0% | - | (1%) | 46 |
| ReNew Wind Energy (Jath) Limited | 1% | 1,530 | (1%) | 55 | 0% | - | (1%) | 55 |
| ReNew Wind Energy (Delhi) Private Limited | 0% | 866 | (2%) | 87 | 0% | - | (2%) | 87 |
| ReNew Wind Energy (Shivpur) Private Limited | 1% | 1,656 | 6% | (297) | 0% | - | 5% | (297) |
| ReNew Wind Energy (Jadeswar) Private Limited | 0% | 510 | (1%) | 36 | 0% | - | (1%) | 36 |
| ReNew Wind Energy (Varekarwadi) Private Limited | 1% | 1,750 | 1% | (40) | 0% | - | 1% | (40) |
| ReNew Wind Energy MP Private Limited | 0% | 527 | (0%) | 8 | 0% | - | (0%) | 8 |
| ReNew Wind Energy (AP 3) Private Limited | 1% | 1,302 | (0%) | 4 | 0% | - | (0%) | 4 |
| ReNew Wind Energy (MP Two) Private Limited | 1% | 1,099 | (0%) | 19 | 0% | - | (0%) | 19 |
| ReNew Wind Energy (Rajasthan One) Private Limited | 1% | 1,280 | 0% | (22) | 0% | - | 0% | (22) |
| ReNew Wind Energy (Sipla) Private Limited | 0% | 439 | (3%) | 168 | 24% | (137) | (1%) | 31 |
| ReNew Wind Energy (Jamb) Private Limited | 0% | 115 | 3% | (155) | (1%) | 4 | 3% | (151) |
| ReNew Wind Energy (Orissa) Private Limited | 0% | 56 | 1% | (33) | 0% | - | 1% | (33) |
| ReNew Wind Energy (TN) Private Limited | (0%) | (170) | 3% | (153) | 0% | - | 3% | (153) |
| ReNew Wind Energy (Rajasthan 2) Private Limited | (0%) | (5) | 0% | (1) | 0% | - | 0% | (1) |
| ReNew Wind Energy (AP 2) Private Limited | 3% | 4,962 | (0%) | 5 | 0% | - | (0%) | 5 |
| ReNew Wind Energy (Karnataka Two) Private Limited | (0%) | (12) | 0% | (3) | 0% | - | 0% | (3) |
| ReNew Wind Energy (Vaspet 5) Private Limited | (0%) | (5) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Wind Energy (Jath Three) Private Limited | (0%) | (4) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Wind Energy (AP 4) Private Limited | (0%) | (6) | 0% | (1) | 0% | - | 0% | (1) |
| ReNew Wind Energy (MP One) Private Limited | (0%) | (84) | 0% | (5) | 0% | - | 0% | (5) |
| ReNew Wind Energy (Karnataka Five) Private Limited | (0%) | (52) | 0% | (4) | 0% | - | 0% | (4) |
| ReNew Wind Energy (Rajasthan 3) Private Limited | 1% | 1,773 | (4%) | 193 | 67% | (379) | 3% | (186) |
| Narmada Wind Energy Private Limited | 0% | 677 | 0% | (2) | 0% | - | 0% | (2) |
| Abaha Wind Energy Private Limited | (0%) | (10) | 0% | (1) | 0% | - | 0% | (1) |
| Helios Infratech Private Limited | 0% | 721 | 4% | (221) | 16% | (91) | 5% | (312) |
| Shruti Power Private Limited | 0% | 250 | (0%) | 18 | 0% | - | (0%) | 18 |
| Molagavalli Renewable Private Limited | 0% | 677 | 1% | (52) | 0% | - | 1% | (52) |
| KCT Renewable Energy Private Limited | 1% | 2,216 | 6% | (310) | 0% | - | 5% | (310) |
| Kanak Renewables Limited | (0%) | (101) | 1% | (31) | 8% | (45) | 1% | (76) |
| Rajat Renewables Limited | (0%) | (33) | 0% | (6) | 1% | (6) | 0% | (12) |
| Pugalur Renewable Private Limited | 1% | 979 | 0% | (11) | 0% | - | 0% | (11) |
| Bidwal Renewable Private Limited | 0% | 844 | (0%) | 8 | 0% | - | (0%) | 8 |
| Zemira Renewable Energy Limited | 0% | 48 | 3% | (177) | 0% | - | 3% | (177) |
| ReNew Solar Power Private Limited | 8% | 15,638 | 11% | (540) | (55%) | 314 | 4% | (226) |
| ReNew Solar Energy Private Limited | 0% | 674 | (0%) | 15 | (0%) | 0 | (0%) | 15 |
| ReNew Solar Energy (Rajasthan) Private Limited | 0% | 939 | 1% | (38) | 5% | (28) | 1% | (67) |
| ReNew Solar Energy (TN) Private Limited | 1% | 1,245 | (1%) | 35 | 0% | - | (1%) | 35 |
| ReNew Solar Energy (Karnataka) Private Limited | 0% | 886 | 3% | (129) | 0% | - | 2% | (129) |
| ReNew Akshay Urja Limited | 1% | 1,823 | (2%) | 88 | 0% | - | (2%) | 88 |
| ReNew Solar Energy (Telangana) Private Limited | 1% | 1,505 | (1%) | 74 | 11% | (65) | (0%) | 9 |
| ReNew Saur Urja Private Limited | 1% | 2,406 | (1%) | 44 | 34% | (193) | 3% | (149) |
| ReNew Clean Energy Private Limited | 0% | 117 | 1% | (68) | 3% | (17) | 1% | (84) |
| ReNew Solar Services Private Limited | 0% | 52 | (0%) | 22 | 0% | - | (0%) | 22 |
| ReNew Agni Power Private Limited | 0% | 26 | 0% | (8) | (0%) | 1 | 0% | (7) |
| ReNew Mega Solar Power Private Limited | 0% | 627 | (0%) | 18 | 0% | (1) | (0%) | 18 |
| ReNew Saur Shakti Private Limited | 1% | 1,272 | (1%) | 74 | 3% | (15) | (1%) | 59 |
| ReNew Solar Energy (Jharkhand One) Private Limited | 0% | 507 | (3%) | 131 | 0% | - | (2%) | 131 |
| ReNew Solar Energy (Jharkhand Two) Private Limited | 8% | 14,459 | 14% | (722) | 0% | (2) | 13% | (724) |
| ReNew Solar Energy (Jharkhand Three) Private Limited | 0% | 602 | (0%) | 6 | (41%) | 235 | (4%) | 242 |
| ReNew Solar Energy (Jharkhand Four) Private Limited | 1% | 984 | 3% | (136) | (4%) | 25 | 2% | (111) |
| ReNew Solar Energy (Jharkhand Five) Private Limited | 0% | 443 | (0%) | 2 | (17%) | 95 | (2%) | 97 |
| ReNew Solar Energy (Karnataka Two) Private Limited | 0% | 560 | (0%) | 5 | 0% | - | (0%) | 5 |
| ReNew Wind Energy (Karnataka 3) Private Limited | (0%) | (36) | 2% | (79) | (1%) | 7 | 1% | (73) |
| ReNew Wind Energy (MP Four) Private Limited | (0%) | (12) | 0% | (2) | (1%) | 4 | (0%) | 2 |
| ReNew Wind Energy (MP Three) Private Limited | (0%) | (49) | 1% | (42) | 0% | - | 1% | (42) |
| ReNew Wind Energy (Rajasthan Four) Private Limited | (0%) | (29) | 0% | (23) | 0% | - | 0% | (23) |
| ReNew Wind Energy (Maharashtra) Private Limited | (0%) | (59) | 1% | (37) | 0% | - | 1% | (37) |
| ReNew Wind Energy (Karnataka 4) Private Limited | (0%) | (24) | (0%) | 13 | 0% | (1) | (0%) | 12 |
| Bhumi Prakash Private Limited | (0%) | (5) | 0% | (12) | (1%) | 7 | 0% | (6) |
| Tarun Kiran Bhoomi Private Limited | (0%) | (56) | 0% | (16) | (0%) | 1 | 0% | (16) |
| ReNew Wind Energy (AP Five) Private Limited | (0%) | (8) | 0% | (2) | 0% | - | 0% | (2) |
| Symphony Vyapaar Private Limited | 0% | 392 | 0% | (3) | 0% | - | 0% | (3) |
| Lexicon Vanijya Private Limited | 0% | 388 | (0%) | 2 | 0% | - | (0%) | 2 |
| Star Solar Power Private Limited | 0% | 167 | (0%) | 2 | 0% | - | (0%) | 2 |
| Sungold Energy Private Limited | 0% | 166 | (0%) | 1 | 0% | - | (0%) | 1 |
| ReNew Wind Energy (Budh 3) Private Limited | 0% | 297 | 3% | (153) | 2% | (11) | 3% | (165) |
| ReNew Wind Energy (TN 2) Private Limited | 1% | 1,654 | (1%) | 69 | 7% | (42) | (0%) | 28 |

(Amounts in INR millions, unless otherwise stated)

| Name of the entity | Net Assets | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount |
| ReNew Distributed Solar Services Private Limited | 0% | 50 | 0% | (1) | 0% | - | 0% | (1) |
| ReNew Distributed Solar Energy Private Limited | 0% | 54 | 0% | (5) | 0% | - | 0% | (5) |
| ReNew Distributed Solar Power Private Limited | 0% | 45 | 0% | (6) | 0% | - | 0% | (6) |
| ReNew Surya Mitra Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Surya Prakash Private Limited | 0% | 58 | 0% | (3) | 0% | - | 0% | (3) |
| ReNew Saur Vidyut Private Limited | 0% | 109 | (0%) | 1 | 0% | - | (0%) | 1 |
| SunSource Energy Services Private Limited | 0% | 44 | 0% | (1) | 0% | - | 0% | (1) |
| ReNew Solar Sun Flame Private Limited | 0% | 15 | 0% | (25) | 0% | - | 0% | (25) |
| ReNew Solar Daylight Energy Private Limited | (0%) | (1) | 0% | (1) | 0% | - | 0% | (1) |
| Vivasvat Solar Energy Private Limited | 0% | 257 | 0% | (2) | (3%) | 19 | (0%) | 16 |
| Nokor Solar Energy Private Limited | (0%) | (3) | 0% | (3) | (3%) | 18 | (0%) | 16 |
| Akhilagya Solar Energy Private Limited | (0%) | (5) | 0% | (5) | (3%) | 18 | (0%) | 14 |
| Abha Sunlight Private Limited | (0%) | (2) | 0% | (1) | (1%) | 3 | (0%) | 2 |
| Izra Solar Energy Private Limited | (0%) | (4) | 0% | (3) | (1%) | 4 | (0%) | 0 |
| Nokor Bhoomi Private Limited | (0%) | (9) | 0% | (8) | (1%) | 4 | 0% | (5) |
| Zorya Solar Energy Private Limited | (0%) | (16) | 0% | (15) | (1%) | 4 | 0% | (11) |
| ReNew Transmission Ventures Private Limited | (0%) | (106) | 1% | (64) | 0% | - | 1% | (64) |
| Adyah Solar Energy Private Limited | (0%) | (492) | 11% | (550) | (8%) | 47 | 9% | (503) |
| Ostro Energy Private Limited | 10% | 19,156 | (2%) | 119 | (0%) | 0 | (2%) | 120 |
| Ostro Rann Wind Private Limited | (0%) | (1) | 0% | (3) | 0% | - | 0% | (3) |
| Ostro Alpha Wind Private Limited | (0%) | (2) | 0% | (1) | 0% | - | 0% | (1) |
| Ostro Bhesada Wind Private Limited | (0%) | (1) | 0% | (0) | 0% | - | 0% | (0) |
| Ostro Dakshin Power Private Limited | 1% | 1,960 | (4%) | 199 | 0% | - | (3%) | 199 |
| Ostro Dhar Wind Private Limited | (0%) | (3) | 0% | (1) | 0% | - | 0% | (1) |
| Ostro Kutch Wind Private Limited | 1% | 1,365 | (2%) | 118 | 0% | - | (2%) | 118 |
| Ostro Kannada Power Private Limited | (0%) | (3) | 0% | (3) | 0% | - | 0% | (3) |
| Ostro Raj Wind Private Limited | 0% | 1 | 0% | (5) | 0% | - | 0% | (5) |
| Ostro Jaisalmer Private Limited | 1% | 1,482 | (2%) | 111 | 0% | - | (2%) | 111 |
| Ostro Madhya Wind Private Limited | 1% | 2,142 | (4%) | 188 | 0% | - | (3%) | 188 |
| Ostro Mahawind Power Private Limited | 0% | 638 | 0% | (11) | 0% | - | 0% | (11) |
| Ostro Anantapur Private Limited | 1% | 1,532 | 5% | (251) | 0% | - | 4% | (251) |
| Ostro Renewables Private Limited | 0% | 897 | (0%) | 17 | 0% | - | (0%) | 17 |
| AVP Powerinfra Private Limited | 0% | 603 | (0%) | 16 | 0% | - | (0%) | 16 |
| Badoni Power Private Limited | 0% | 576 | 0% | (0) | 0% | - | 0% | (0) |
| Ostro Andhra Wind Private Limited | 1% | 1,686 | 5% | (281) | 0% | - | 5% | (281) |
| Ostro AP Wind Private Limited | 1% | 1,829 | 5% | (253) | 0% | - | 4% | (253) |
| Ostro Urja Wind Private Limited | 1% | 1,677 | (0%) | 15 | 0% | - | (0%) | 15 |
| Auxo Solar Energy Private Limited | (0%) | (66) | 1% | (65) | 0% | - | 1% | (65) |
| Zorya Distributed Power Services Private Limited | (0%) | (1) | 0% | (2) | 0% | - | 0% | (2) |
| ReNew Cleantech Private Limited | 0% | 2 | (0%) | 2 | 0% | - | (0%) | 2 |
| Prathamesh Solarfarms Limited | 1% | 1,057 | (0%) | 16 | 0% | - | (0%) | 16 |
| ReNew Mega Light Private Limited | 0% | 113 | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Sun Waves Private Limited | 0% | 258 | 0% | (0) | (45%) | 258 | (5%) | 257 |
| ReNew Sun Flash Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Sun Bright Private Limited | 0% | 252 | (0%) | 19 | (41%) | 233 | (4%) | 251 |
| ReNew Sun Energy Private Limited | 0% | 110 | 0% | (3) | (20%) | 114 | (2%) | 110 |
| Auxo Sunlight Private Limited | 0% | 50 | 0% | (1) | (9%) | 50 | (1%) | 50 |
| ReNew Sun Ability Private Limited | 0% | 1 | (0%) | 1 | 0% | - | (0%) | 1 |
| ReNew Services Private Limited | 0% | 13 | (0%) | 13 | (0%) | 0 | (0%) | 13 |
| Greenyana Sunstream Private Limited | (0%) | (9) | 0% | (8) | 0% | - | 0% | (8) |
| Renew Green Solution Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Sun Power Private Limited | 0% | 49 | 0% | (1) | (9%) | 50 | (1%) | 49 |
| Renew Mega Urja Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| Renew Mega Spark Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| Renew Mega Green Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| ReNew Green Power Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| Renew Green Energy Private Limited | (0%) | (0) | 0% | (0) | 0% | - | 0% | (0) |
| Renew Solar Urja Private Limited | (0%) | (0) | 0% | (0) | 0% | - | | |
| Renew Surya Ojas Private Limited | (0%) | (0) | 0% | (0) | 0% | - | | |
| Renew Vyan Shakti Pvt Ltd | 0% | 0 | 0% | (0) | 0% | - | | |
| Shekhawati Solar Park Private Limited | (0%) | (0) | 0% | - | 0% | - | | |
| Renew Vyoman Energy Private Limited | 0% | 0 | 0% | (0) | 0% | - | | |
| Renew Vyoman Power Private Limited | 0% | 0 | 0% | (0) | 0% | - | | |
| Renew Surya Vihaan Private Limited | (0%) | (0) | 0% | (0) | 0% | - | | |
| Renew Surya Roshni Private Limited | (0%) | (0) | 0% | (0) | 0% | - | | |
| **Foreign subsidiaries** | | | | | | | | |
| ReNew Power Singapore PTE | (0%) | (3) | 0% | (2) | 0% | (0) | 0% | (2) |
| ReNew Americas Inc | 0% | 164 | (2%) | 100 | (1%) | 5 | (2%) | 105 |
| ReNew Power International Limited | 0% | 101 | 0% | (2) | (0%) | 3 | (0%) | 0 |
| | **100%** | **189,806** | **100%** | **(5,140)** | **100%** | **(569)** | **100%** | **(5,708)** |

(Amounts in INR millions, unless otherwise stated)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Minority interests in all subsidiaries** | | | | | | | | |
| ReNew Wind Energy (Karnataka) Private Limited | - | (91) | - | (107) | - | - | - | (107) |
| ReNew Wind Energy (AP) Private Limited | - | 123 | - | 15 | - | - | - | 15 |
| ReNew Solar Energy (Karnataka) Private Limited | - | - | - | - | - | - | - | - |
| ReNew Akshay Urja Limited | - | 1,426 | - | 69 | - | - | - | 69 |
| ReNew Solar Energy (Telangana) Private Limited | - | 987 | - | (170) | - | (64) | - | (234) |
| ReNew Mega Solar Power Private Limited | - | 518 | - | 18 | - | (10) | - | 8 |
| Renew Surya Mitra Pvt Ltd | - | 14 | - | (0) | | - | | (0) |
| Renew Solar Energy (Jharkhand Three) Pvt Ltd | - | 833 | - | (0) | | 1 | | 1 |
| **Entities under joint control** | | | | | | | | |
| Prathamesh Solarfarms Limited | - | | - | | - | - | - | - |
| Heramba Renewables Limited | - | 170 | - | (16) | - | - | - | (16) |
| Aalok Solarfarms Limited | - | 91 | - | (9) | - | - | - | (9) |
| Shreyas Solarfarms Limited | - | 174 | - | (18) | - | - | - | (18) |
| Abha Solarfarms Limited | - | 89 | - | (10) | - | - | - | (10) |
| **Adjustments arising out of consolidation** | - | (123,047) | - | 342 | - | 11 | - | 352 |
| **Total** | | **71,094** | | **(5,026)** | | **(631)** | | **(5,657)** |

-----------------------------------This space has been left blank intentionally---------------------------------------

(Amounts in INR millions, unless otherwise stated)

**54 Additional disclosure as required under Schedule III of Companies Act, 2013:**

| Name of the entity | As at 31 March 2019 | | For the year ended 31 March 2019 | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Net Assets | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount | As % of consolidated profit or loss | Amount |
| **Parent** | **43%** | **74,477** | **2%** | **53** | **1%** | **(2)** | **3%** | **52** |
| **Indian subsidiaries** | | | | | | | | |
| ReNew Wind Energy (Rajasthan) Private Limited | 1% | 1,587 | 8% | 179 | 0% | - | 9% | 179 |
| ReNew Wind Energy (Welturi) Private Limited | 0% | 177 | 0% | 7 | 0% | - | 0% | 7 |
| ReNew Wind Energy (Devgarh) Private Limited | 2% | 3,201 | (4%) | (93) | (29%) | 73 | (1%) | (19) |
| ReNew Wind Energy (Karnataka) Private Limited | 1% | 1,458 | (0%) | (2) | 0% | - | (0%) | (2) |
| ReNew Wind Energy (AP) Private Limited | 1% | 1,356 | 6% | 126 | 0% | - | 7% | 126 |
| ReNew Wind Energy (Rajkot) Private Limited | 1% | 1,592 | 2% | 35 | 0% | - | 2% | 35 |
| ReNew Wind Energy (Jath) Limited | 1% | 1,475 | 5% | 105 | 0% | - | 6% | 105 |
| ReNew Wind Energy (Delhi) Private Limited | 0% | 779 | 3% | 60 | 0% | - | 3% | 60 |
| ReNew Wind Energy (Shivpur) Private Limited | 1% | 1,953 | 1% | 23 | 0% | - | 1% | 23 |
| ReNew Wind Energy (Jadeswar) Private Limited | 0% | 474 | 2% | 41 | 0% | - | 2% | 41 |
| ReNew Wind Energy (Varekarwadi) Private Limited | 1% | 1,326 | 9% | 192 | 0% | - | 10% | 192 |
| ReNew Wind Energy MP Private Limited | 0% | 519 | (1%) | (13) | 0% | - | (1%) | (13) |
| ReNew Wind Energy (AP 3) Private Limited | 1% | 1,298 | 7% | 150 | 0% | - | 8% | 150 |
| ReNew Wind Energy (MP Two) Private Limited | 1% | 1,080 | 4% | 77 | 0% | - | 4% | 77 |
| ReNew Wind Energy (Rajasthan One) Private Limited | 1% | 1,302 | 2% | 40 | 0% | - | 2% | 40 |
| ReNew Wind Energy (Sipla) Private Limited | 0% | 408 | (8%) | (161) | 3% | (7) | (9%) | (168) |
| ReNew Wind Energy (Jamb) Private Limited | 0% | 265 | (7%) | (144) | 0% | (0) | (8%) | (144) |
| ReNew Wind Energy (Orissa) Private Limited | 0% | 88 | (2%) | (53) | 0% | - | (3%) | (53) |
| ReNew Wind Energy (TN) Private Limited | (0%) | (17) | (1%) | (16) | 0% | - | (1%) | (16) |
| ReNew Wind Energy (Rajasthan 2) Private Limited | (0%) | (4) | (0%) | (2) | 0% | - | (0%) | (2) |
| ReNew Wind Energy (AP 2) Private Limited | (0%) | (14) | (1%) | (15) | 0% | - | (1%) | (15) |
| ReNew Wind Energy (Karnataka Two) Private Limited | (0%) | (9) | (0%) | (7) | 0% | - | (0%) | (7) |
| ReNew Wind Energy (Vaspet 5) Private Limited | (0%) | (4) | (0%) | (3) | 0% | - | (0%) | (3) |
| ReNew Wind Energy (Jath Three) Private Limited | (0%) | (4) | (0%) | (3) | 0% | - | (0%) | (3) |
| ReNew Wind Energy (AP 4) Private Limited | (0%) | (5) | (0%) | (2) | 0% | - | (0%) | (2) |
| ReNew Wind Energy (MP One) Private Limited | (0%) | (79) | (3%) | (74) | 0% | - | (4%) | (74) |
| ReNew Wind Energy (Karnataka Five) Private Limited | (0%) | (58) | (2%) | (54) | 0% | - | (3%) | (54) |
| ReNew Wind Energy (Rajasthan 3) Private Limited | 1% | 1,959 | (12%) | (252) | (50%) | 124 | (7%) | (128) |
| Narmada Wind Energy Private Limited | 0% | 679 | 4% | 81 | 0% | - | 4% | 81 |
| Abaha Wind Energy Private Limited | (0%) | (9) | (1%) | (15) | 0% | - | (1%) | (15) |
| Helios Infratech Private Limited | 1% | 1,033 | 12% | 256 | 36% | (89) | 9% | 167 |
| Shruti Power Private Limited | 0% | 231 | 2% | 33 | 0% | - | 2% | 33 |
| Molagavalli Renewable Private Limited | 0% | 729 | 5% | 109 | 0% | - | 6% | 109 |
| KCT Renewable Energy Private Limited | 1% | 2,525 | 3% | 74 | 0% | - | 4% | 74 |
| Kanak Renewables Limited | (0%) | (25) | (2%) | (51) | (11%) | 26 | (1%) | (25) |
| Rajat Renewables Limited | (0%) | (21) | (1%) | (26) | (2%) | 4 | (1%) | (22) |
| Pugalur Renewable Private Limited | 1% | 990 | (3%) | (65) | 0% | - | (3%) | (65) |
| Bidwal Renewable Private Limited | 0% | 836 | (1%) | (28) | 0% | - | (1%) | (28) |
| Zemira Renewable Energy Limited | 0% | 225 | 0% | 2 | 0% | - | 0% | 2 |
| ReNew Solar Power Private Limited | 7% | 12,700 | (18%) | (379) | 99% | (247) | (33%) | (626) |
| ReNew Solar Energy Private Limited | 0% | 412 | 1% | 23 | (0%) | 0 | 1% | 23 |
| ReNew Solar Energy (Rajasthan) Private Limited | 0% | 635 | (1%) | (24) | (11%) | 28 | 0% | 4 |
| ReNew Solar Energy (TN) Private Limited | 1% | 1,209 | 2% | 42 | 0% | - | 2% | 42 |
| ReNew Solar Energy (Karnataka) Private Limited | 0% | 599 | (0%) | (8) | 0% | - | (0%) | (8) |
| ReNew Akshay Urja Limited | 1% | 1,735 | 4% | 77 | 0% | - | 4% | 77 |
| ReNew Solar Energy (Telangana) Private Limited | 1% | 1,495 | 5% | 107 | 9% | (22) | 4% | 85 |
| ReNew Saur Urja Private Limited | 1% | 2,555 | 3% | 75 | 4% | (9) | 3% | 65 |
| ReNew Clean Energy Private Limited | 0% | 201 | 6% | 135 | (9%) | 23 | 8% | 157 |
| ReNew Solar Services Private Limited | 0% | 30 | 1% | 15 | 0% | - | 1% | 15 |
| ReNew Agni Power Private Limited | 0% | 33 | 1% | 19 | (0%) | 0 | 1% | 19 |
| ReNew Mega Solar Power Private Limited | 0% | 610 | 1% | 19 | (2%) | 4 | 1% | 23 |
| ReNew Saur Shakti Private Limited | 1% | 1,213 | 4% | 94 | (4%) | 10 | 5% | 104 |
| ReNew Solar Energy (Jharkhand One) Private Limited | 0% | 376 | 0% | 7 | 0% | - | 0% | 7 |
| ReNew Solar Energy (Jharkhand Two) Private Limited | 4% | 6,300 | 2% | 44 | (0%) | 1 | 2% | 45 |
| ReNew Solar Energy (Jharkhand Three) Private Limited | 0% | 360 | 0% | 4 | 0% | - | 0% | 4 |
| ReNew Solar Energy (Jharkhand Four) Private Limited | 1% | 1,095 | (0%) | (7) | 10% | (25) | (2%) | (32) |
| ReNew Solar Energy (Jharkhand Five) Private Limited | 0% | 345 | 0% | 3 | 0% | - | 0% | 3 |
| ReNew Solar Energy (Karnataka Two) Private Limited | 0% | 555 | 7% | 146 | 0% | - | 8% | 146 |
| ReNew Wind Energy (Karnataka 3) Private Limited | 0% | 37 | 1% | 19 | 1% | (3) | 1% | 16 |
| ReNew Wind Energy (MP Four) Private Limited | (0%) | (14) | 0% | 10 | (2%) | 5 | 1% | 15 |
| ReNew Wind Energy (MP Three) Private Limited | (0%) | (7) | (2%) | (32) | (3%) | 7 | (1%) | (25) |
| ReNew Wind Energy (Rajasthan Four) Private Limited | (0%) | (5) | (1%) | (18) | (8%) | 20 | 0% | 2 |
| ReNew Wind Energy (Maharashtra) Private Limited | (0%) | (22) | (1%) | (24) | (0%) | 0 | (1%) | (24) |
| ReNew Wind Energy (Karnataka 4) Private Limited | (0%) | (36) | (0%) | (2) | 0% | (1) | (0%) | (3) |
| Bhumi Prakash Private Limited | 0% | 0 | 0% | 6 | (0%) | 1 | 0% | 7 |
| Tarun Kiran Bhoomi Private Limited | (0%) | (41) | (0%) | (0) | (1%) | 2 | 0% | 2 |
| ReNew Wind Energy (AP Five) Private Limited | (0%) | (6) | (0%) | (2) | 0% | - | (0%) | (2) |
| Symphony Vyapaar Private Limited | 0% | 395 | 1% | 11 | 0% | - | 1% | 11 |
| Lexicon Vanijya Private Limited | 0% | 386 | 1% | 11 | 0% | - | 1% | 11 |
| Star Solar Power Private Limited | 0% | 165 | 0% | 3 | 0% | - | 0% | 3 |
| Sungold Energy Private Limited | 0% | 164 | 0% | 3 | 0% | - | 0% | 3 |
| ReNew Wind Energy (Budh 3) Private Limited | 0% | 462 | (4%) | (91) | (21%) | 52 | (2%) | (40) |
| ReNew Wind Energy (TN 2) Private Limited | 1% | 1,626 | 0% | 9 | 40% | (99) | (5%) | (90) |

(Amounts in INR millions, unless otherwise stated)

| Name of the entity | Net Assets | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | **As % of consolidated net assets** | **Amount** | **As % of consolidated profit or loss** | **Amount** | **As % of consolidated profit or loss** | **Amount** | **As % of consolidated profit or loss** | **Amount** |
| ReNew Distributed Solar Services Private Limited | 0% | 51 | 0% | 2 | 0% | - | 0% | 2 |
| ReNew Distributed Solar Energy Private Limited | 0% | 58 | (0%) | (7) | 0% | - | (0%) | (7) |
| ReNew Distributed Solar Power Private Limited | (0%) | (0) | (0%) | (3) | 0% | - | (0%) | (3) |
| ReNew Surya Mitra Private Limited | (0%) | (0) | (0%) | (0) | 0% | - | (0%) | (0) |
| ReNew Surya Prakash Private Limited | 0% | 18 | 0% | 10 | 0% | - | 1% | 10 |
| ReNew Saur Vidyut Private Limited | 0% | 99 | 1% | 23 | 0% | - | 1% | 23 |
| SunSource Energy Services Private Limited | 0% | 45 | (0%) | (1) | 0% | - | (0%) | (1) |
| ReNew Solar Sun Flame Private Limited | (0%) | (0) | (0%) | (0) | 0% | - | (0%) | (0) |
| ReNew Solar Daylight Energy Private Limited | (0%) | (0) | (0%) | (0) | 0% | - | (0%) | (0) |
| Vivasvat Solar Energy Private Limited | (0%) | (19) | (0%) | (0) | 7% | (19) | (1%) | (19) |
| Nokor Solar Energy Private Limited | (0%) | (19) | (0%) | (0) | 7% | (18) | (1%) | (19) |
| Akhilagya Solar Energy Private Limited | (0%) | (19) | (0%) | (0) | 7% | (18) | (1%) | (19) |
| Abha Sunlight Private Limited | (0%) | (4) | (0%) | (0) | 1% | (3) | (0%) | (4) |
| Izra Solar Energy Private Limited | (0%) | (4) | (0%) | (0) | 2% | (4) | (0%) | (4) |
| Nokor Bhoomi Private Limited | (0%) | (4) | (0%) | (0) | 1% | (4) | (0%) | (4) |
| Zorya Solar Energy Private Limited | (0%) | (4) | (0%) | (0) | 2% | (4) | (0%) | (4) |
| ReNew Transmission Ventures Private Limited | (0%) | (42) | (2%) | (42) | 0% | - | (2%) | (42) |
| Adyah Solar Energy Private Limited | 0% | 11 | 3% | 58 | 19% | (47) | 1% | 11 |
| Ostro Energy Private Limited | 10% | 18,332 | 12% | 264 | 4% | (10) | 13% | 254 |
| Ostro Rann Wind Private Limited | 0% | 1 | (0%) | (2) | 0% | - | (0%) | (2) |
| Ostro Alpha Wind Private Limited | (0%) | (1) | (0%) | (2) | 0% | - | (0%) | (2) |
| Ostro Bhesada Wind Private Limited | (0%) | (1) | (0%) | (0) | 0% | - | (0%) | (0) |
| Ostro Dakshin Power Private Limited | 1% | 1,761 | 10% | 206 | 0% | - | 11% | 206 |
| Ostro Dhar Wind Private Limited | (0%) | (2) | (0%) | (1) | 0% | - | (0%) | (1) |
| Ostro Kutch Wind Private Limited | 1% | 1,247 | 1% | 31 | 0% | - | 2% | 31 |
| Ostro Kannada Power Private Limited | (0%) | (0) | (0%) | (1) | 0% | - | (0%) | (1) |
| Ostro Raj Wind Private Limited | 0% | 7 | (0%) | (1) | 0% | - | (0%) | (1) |
| Ostro Jaisalmer Private Limited | 1% | 1,371 | 5% | 111 | 0% | - | 6% | 111 |
| Ostro Madhya Wind Private Limited | 1% | 1,954 | 20% | 420 | 0% | - | 22% | 420 |
| Ostro Mahawind Power Private Limited | 0% | 650 | 1% | 26 | 0% | - | 1% | 26 |
| Ostro Anantapur Private Limited | 1% | 1,531 | (5%) | (107) | 0% | - | (6%) | (107) |
| Ostro Renewables Private Limited | 1% | 880 | 0% | 6 | 0% | - | 0% | 6 |
| AVP Powerinfra Private Limited | 0% | 468 | 4% | 82 | 0% | - | 4% | 82 |
| Badoni Power Private Limited | 0% | 457 | 3% | 63 | 0% | - | 3% | 63 |
| Ostro Andhra Wind Private Limited | 1% | 1,967 | 1% | 16 | 0% | - | 1% | 16 |
| Ostro AP Wind Private Limited | 1% | 2,081 | 5% | 102 | 0% | - | 5% | 102 |
| Ostro Urja Wind Private Limited | 1% | 1,392 | 6% | 135 | 0% | - | 7% | 135 |
| Auxo Solar Energy Private Limited | (0%) | (1) | (0%) | (1) | 0% | - | (0%) | (1) |
| Zorya Distributed Power Services Private Limited | 0% | 0 | 0% | 0 | 0% | - | 0% | 0 |
| ReNew Cleantech Private Limited | 0% | 0 | (0%) | (0) | 0% | - | (0%) | (0) |
| Prathamesh Solarfarms Limited | 1% | 1,041 | 0% | 4 | 0% | - | 0% | 4 |
| ReNew Mega Light Private Limited | 0% | - | 0% | - | 0% | - | 0% | - |
| ReNew Sun Waves Private Limited | 0% | 0 | 0% | - | 0% | - | 0% | - |
| ReNew Sun Flash Private Limited | 0% | - | 0% | - | 0% | - | 0% | - |
| ReNew Sun Bright Private Limited | 0% | - | 0% | - | 0% | - | 0% | - |
| ReNew Sun Energy Private Limited | 0% | - | 0% | - | 0% | - | 0% | - |
| Auxo Sunlight Private Limited | 0% | - | 0% | - | 0% | - | 0% | - |
| **Foreign subsidiaries** | | | | | | | | |
| ReNew Power Singapore PTE | (0%) | (1) | (0%) | (1) | 0% | (0) | (0%) | (1) |
| ReNew Americas Inc | (0%) | (53) | (5%) | (106) | (0%) | 1 | (6%) | (105) |
| ReNew Power International Limited | 0% | 33 | (0%) | (1) | (0%) | 1 | 0% | 0 |
| | **100%** | **174,622** | **100%** | **2,142** | **100%** | **(249)** | **100%** | **1,893** |
| **Minority interests in all subsidiaries** | | | | | | | | |
| ReNew Wind Energy (Karnataka) Private Limited | - | 28 | - | (1) | - | - | - | (1) |
| ReNew Wind Energy (AP) Private Limited | - | 110 | - | 58 | - | - | - | 58 |
| ReNew Solar Energy (Karnataka) Private Limited | - | 413 | - | (7) | - | - | - | (7) |
| ReNew Akshay Urja Limited | - | 1,357 | - | 60 | - | - | - | 60 |
| ReNew Solar Energy (Telangana) Private Limited | - | 1,220 | - | 102 | - | (21) | - | 81 |
| ReNew Mega Solar Power Private Limited | - | 501 | - | 18 | - | 4 | - | 22 |
| **Entities under joint control** | | | | | | | | |
| Prathamesh Solarfarms Limited | - | - | - | (20) | - | - | - | (20) |
| Heramba Renewables Limited | - | 157 | - | (5) | - | - | - | (5) |
| Aalok Solarfarms Limited | - | 85 | - | (3) | - | - | - | (3) |
| Shreyas Solarfarms Limited | - | 163 | - | (7) | - | - | - | (7) |
| Abha Solarfarms Limited | - | 84 | - | (4) | - | - | - | (4) |
| **Adjustments arising out of consolidation** | - | (102,405) | - | (1,303) | - | 17 | - | (1,286) |
| **Total** | | **76,335** | | **1,030** | | **(250)** | | **780** |

**55 Significant accounting judgments, estimates and assumptions**

The preparation of consolidated financial statements requires management to make judgements, 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 judgments, 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 Group based their assumptions and estimates on parameters available when the consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

**A) Accounting Judgements:**

**Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Group makes various assumptions and estimates while computing deferred taxes which include production related data (PLFs), projected operations and maintenance costs, projected finance costs, proposed availment of deduction under section 80IA of the Income Tax Act, 1961 and the period over which such deduction shall be availed, usage of brought forward losses etc. While these assumptions are based on best available facts in the knowledge of management as on the balance sheet date however, they are subject to change year on year depending on the actual tax laws and other variables in the respective year. Given that the actual assumptions which would be used to file the return of income shall depend upon the tax laws prevailing in respective year, management shall continue to reassess these assumptions while calculating the deferred taxes on each balance sheet date and the impact due to such change, if any, is considered in the respective year.

**Depreciation on property, plant and equipment**

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Considering the applicability of Schedule II of Companies Act, 2013, the management has re-estimated useful lives and residual values of all its property, plant and equipment. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

Basis legal opinion obtained, management is of the view that application of CERC and/or SERC rates for the purpose of accounting for depreciation expenses is not mandatory. Hence, Group is depreciating the assets bases on life as determined by an expert.

**B) 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 44 and 45 for further disclosures.

**Related party transactions**

Employee benefit costs and other common expenses are incurred by the Group. These expenses are allocated to all the entities of the 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 Group uses unsecured loans to fund requirements of various entities. These loans carry interest rate higher than a return expected from 3-year government bond yield.

**Impairment of goodwill** - The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Note 6.

-----------------------------------This space has been left blank intentionally---------------------------------------

**56** During the year ended 31 March 2019, distribution companies of the state of Karnataka issued demand notices to captive users (customers of certain Group's subsidiaries) and to the respective captive plants hereinafter refer to as the "SPVs". These notices were issued seeking recovery of cross subsidy surcharge and differential between rate of electricity tax applicable to captive users and non-captive users on the ground that these captive users have not consumed the energy in proportion to their respective shareholding in the SPV, thereby violating Rule 3 of the Electricity Rules, 2005. SPVs had deposited a sum of INR 114 under protest towards fulfilment of demand raised by one of the distribution companies. Thereafter, the SPVs had filed a petition 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, subject to the deposit of an amount equal to 25% of the total demand amount of INR 340. The aforesaid payment of INR 114 was considered fulfilment of the condition of deposit imposed by the KERC. The amount paid under protest has been accounted for as recoverable and disclosed under head "Other current assets" in these financial statements.

The Group, 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 KERC and hence no adjustment has been made in the financial statements in this regard.

**57** Due to outbreak of COVID-19 in India and globally, the Group has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. Considering that the Group is in the business of generation of electricity which is having "Must Run" status by Ministry of New and Renewable Energy (MNRE), the management believes that the impact of outbreak on the business and financial position of the Group will not be significant. The management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. For under construction projects, though the physical activities have been constrained and partially impacted, however management does not anticipate any delay in meeting the original timelines and expects that overall completion timelines for respective projects shall be achieved as set out in respective power purchase agreements with customers. Further, Ministry of New and Renewable Energy (MNRE) has issued office memorandum dated April 17, 2020 stating the Time-Extension in Scheduled Commissioning date of RE projects for lockdown time and additional thirty days (30 days) for normalization after the end of such lockdown due to COVID- 19 which further negates any potential risk of liquidated damages. The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of the unprecedented situation.

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

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:27:48 +05'30'

**per Amit Chugh**
Partner
Membership No.: 505224
Place: Gurugram
Date: 08 June 2020

**For and on behalf of the Board of Directors of ReNew Power Private Limited (formerly known as ReNew Power Limited)**

SUMANT SINHA
Digitally signed by SUMANT SINHA
Date: 2020.06.08 22:51:22 +05'30'

**Sumant Sinha**
(Chairman and Managing Director)
DIN- 00972012
Place: Gurugram
Date: 08 June 2020

MUTHUKUMARAN DORAISWAMI
Digitally signed by MUTHUKUMARAN DORAISWAMI
Date: 2020.06.08 22:51:48 +05'30'

**D Muthukumaran**
(Chief Financial Officer)

Place: Gurugram
Date: 08 June 2020

ASHISH JAIN
Digitally signed by ASHISH JAIN
Date: 2020.06.08 23:02:06 +05'30'

**Ashish Jain**
(Company Secretary)

Place: Gurugram
Date: 08 June 2020