

INDEPENDENT AUDITOR'S REPORT

To the Members of ReNew Power Private Limited

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

We have audited the accompanying Ind AS financial statements of ReNew Power Private Limited ("the Company"), which comprise the Balance sheet as at 31 March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31 March 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Ind AS Financial Statements' section of our report. We are independent of the Company 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended 31 March 2021. These matters were addressed in the context of our audit of the 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 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 Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Related Party Transactions – Accuracy and completeness of related party transactions and disclosure thereof (as described in note 35 of the Ind AS financial statements)

We identified the measurement, completeness, presentation and disclosure of related party transactions as a key audit matter due to the high volume and complexity of business transactions with related parties during the year ended 31 March 2021.

Our audit procedures included the following:

- Obtained an understanding of the process and tested the design and operating effectiveness of key controls that management has established to identify, account for and disclose related party transactions.
- Obtained an updated list of all related parties of the Company and reviewed the general ledger against this list to ensure completeness of transactions.
- We read contracts and agreements with related parties to understand the nature of the transactions.
- We agreed the amounts disclosed to underlying documentation and reviewed relevant agreements, on a sample basis, as part of our evaluation of the disclosure.
- We obtained an understanding of the Company's methodology of determination of arms-length price. We have also obtained and evaluated the management expert's reports on validation of arms-length price.
- Made enquiries of management in order to identify if any related party transactions outside the normal course of business have taken place.
- We evaluated the completeness of transactions through review of statutory information, books and records and other documents obtained during the course of our audit.
- We read and assessed the adequacy of the related disclosures in the consolidated financial statements.



Recoverability of deferred tax assets and reversal of deferred tax liabilities - (as described in note 08 of the Ind AS financial statements)

The Company recognised deferred tax assets (net) of INR 608 million as at March 31, 2021. The Company recognizes deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deferred tax assets 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. The Company recognizes deferred tax liabilities to the extent that such amounts are expected to be reversed after availment of deduction under tax holiday in future years.

Auditing the Company's assessment of the recoverability of deferred tax assets and the reversal of deferred tax liabilities is complex and dependent on the Company's ability to generate future taxable profit against which all such assets and liabilities can be utilized. Significant judgement and estimation are exercised by management to assess the sufficiency of future taxable income and likelihood of the realization of these assets and reversal of liabilities. Predicting future taxable income is dependent on assumptions and judgement regarding:

- future revenue,
- projected operating and maintenance and finance costs,
- future proposed availment of deduction under tax holiday and the period over which deduction shall be availed,
- usage of brought forward losses and minimum alternate tax credit.

These assumptions are forward looking and could be affected by future economic and market conditions.

To assess the future projections of taxable income estimated by the management to support the recognition of the deferred tax assets and deferred tax liabilities, our procedures included, among others,

- assessment of the reasonability of future cash flow projections including the Company's assumptions.
- sensitivity analysis in relation to the likelihood of generating sufficient future taxable income, taking into account local tax regulations and evaluated the historical accuracy of management's forecast of taxable profits by comparison to actual results, and the consistency of those projections with the projections used in other areas of estimation, such as for example those used for the impairment assessment of Goodwill.
- obtaining Company's sensitivity analysis over the PLF which is a key assumption to assess its impact on the forecast of the future taxable income.
- involvement of our tax specialist who assisted us in the assessment of temporary differences determined by management on which deferred tax assets or deferred tax liabilities need to be recognized.
- testing the completeness and accuracy of the deferred tax assets and deferred tax liabilities and assessing the adequacy of the disclosures made by the Company on the expected recoverability of the deferred tax assets and reversal of deferred tax liabilities.



Debt repayment obligations and liquidity (as described in note 42(c) of the standalone Ind AS financial statements)

External funding in the form of long term and short-term borrowings, are an integral part of the Company's business model as it is the key source of funds used by the business to fund its projects, projects of its subsidiaries and operations. Such external borrowings represent the largest liability on the balance sheet. As at March 31, 2021, the Company's borrowings from sources other than loans from its subsidiaries and entities under joint control amount to 28% of the balance sheet total and its Debt to Equity ratio is 43%. Out of total external borrowings, the following are due for repayment over next 12 months:

- a. INR 1,308 million is the current maturities of long-term borrowings, and
- b. Various working capital facilities amounting to INR 4,000 million.

We have identified the Company's ability to service the debt repayment obligations and liquidity as a key audit matter because of the subjective elements such as:

- estimate of expected future cash flows,
- realization of existing and future receivables,
- repayment by subsidiaries of short-term funds provided by the Company,
- forecasted results and operational performance, and
- expectation around refinancing of existing debt.

These estimates are based on assumptions, including expectations of future economic and market developments.

Our audit procedures include the following:

- We obtained an understanding of the process followed by the management for preparation and approval 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.
- 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.
- We assessed the maturity profile of the Company's borrowings to test that loans maturing within the next twelve months were classified in current liabilities.
- 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.
- We assessed the Company'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.
- We also assessed the adequacy of the related disclosures in the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the Ind AS financial statements and our auditor's report thereon. The director's report is expected to be made available to us after the date of auditor report. When we read the Director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Board of Directors and take appropriate actions applicable under the applicable laws and regulations.



Our opinion on the 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 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 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 for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



S.R. BATLIBOI & Co. LLP

Chartered Accountants

- (d) In our opinion, the aforesaid 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 as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon;
- (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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 45 to the standalone Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts -Refer Note 39 to the Ind-AS financial statements,
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

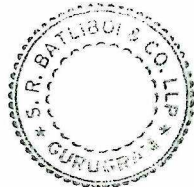
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh

Partner

Membership Number: 505224



UDIN: 21505224AAAADJ1545

Place of Signature: Gurugram

Date: 29 July 2021

Annexure 1 referred to in paragraph 1 of our report of even date under section ‘Report on other legal and regulatory requirements’

Re: Renew Power Private Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were noted.
- (c) According to information and explanations given by the management the title deeds of immovable properties included in property, plant and equipment except for freehold land amounting to Rs. 32 million for which registration is pending are held in the name of the Company. It has been explained to us that the title deeds for freehold land amounting to Rs. 360 million as at 31 March 2021, have been given as security (mortgage and charge) against the Non-convertible debentures issued and that original title deeds are kept with Vistara ITCL India Limited and Axis Trustee Services Limited as security for the lenders and therefore the same could not be made available to us for our verification and have also not been independently confirmed by the Security Trustee. Further, the title deeds of freehold land amounting to INR 0.2 million as at 31 March 2021, for which original title deed is not made available to us for verification and hence we are unable to comment on the same.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.
- (iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. Further, since the Company is an infrastructure company within the meaning of Schedule VI of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013 is not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess, provident fund, employees’ state insurance and other statutory dues



applicable to it. The provisions relating to sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess, provident fund, employees' state insurance and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, cess, provident fund, employees' state insurance and the other statutory dues, which have not been deposited on account of any dispute. The provisions relating to service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, monies raised by the company by way of debentures were applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer/ further public offer.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



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- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Amit Chugh**

Partner

Membership Number: 505224

UDIN: 21505224AAAADJ1545



Place of Signature: Gurugram

Date: 29 July 2021

Annexure 2 to the Independent Auditor's Report of even date on the 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")

We have audited the internal financial controls over financial reporting of Renew Power Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 Ind AS 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 system over financial reporting with reference to these Ind AS 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 Ind AS 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Ind AS financial statements.



Meaning of Internal Financial Controls over Financial Reporting with Reference to these Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Ind AS 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 Ind AS 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 Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the 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.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Amit Chugh**

Partner

Membership Number: 505224

UDIN: 21505224AAAADJ1545



Place of Signature: Gurugram

Date: 29 July 2021

ReNew Power Private Limited
 Standalone Balance Sheet as at 31 March 2021
 (Amounts in INR millions, unless otherwise stated)

Notes	As at 31 March 2021	As at 31 March 2020
Assets		
Non-current assets		
Property, plant and equipment	4 29,610	25,963
Capital work in progress	4 315	2,357
Intangible assets	5 123	75
Intangible assets under development	5 26	40
Right of use assets	5A 369	475
Financial assets		
Investment	6 90,730	72,521
Loans	7 22,316	20,655
Others	7 1,025	79
Deferred tax assets (net)	8 608	256
Prepayments	9 12	591
Non current tax assets (net)	757	1,333
Other non-current assets	10 218	493
Total non-current assets	146,109	124,838
Current assets		
Inventories	11 11	10
Financial assets		
Derivative instruments	12 747	3,254
Trade receivables	13 6,666	4,615
Cash and cash equivalent	14 7,511	2,916
Bank balances other than cash and cash equivalent	14 7,446	13,920
Loans	7 61,939	73,960
Others	7 19,215	9,840
Prepayments	9 84	354
Other current assets	10 265	102
Total current assets	103,884	108,971
Total assets	249,993	233,809
Equity and liabilities		
Equity		
Equity share capital	15A 3,799	3,799
Other equity		
Securities premium	16A 67,150	67,150
Debenture redemption reserve	16B 313	762
Hedging reserve	16C (1,958)	(847)
Share based payment reserve	16D 1,164	1,161
Retained earnings	16E (5,752)	(813)
Total equity	64,716	71,212
Non-current liabilities		
Financial liabilities		
Long-term borrowings	17 90,304	89,843
Lease liabilities	18 98	192
Long-term provisions	19 1,772	82
Other non-current liabilities	20 415	306
Total non-current liabilities	92,589	90,423
Current liabilities		
Financial liabilities		
Short-term borrowings	21 89,411	55,027
Trade payables		
Outstanding dues to micro enterprises and small enterprises	22 1	-
Others	22 797	1,105
Lease liabilities	18 126	123
Other current financial liabilities	23 10,418	15,184
Other current liabilities	24 842	662
Short-term provisions	25 93	73
Total current liabilities	92,688	72,174
Total liabilities	185,277	162,597
Total equity and liabilities	249,993	233,809

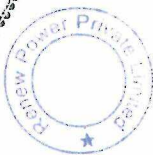
Summary of significant accounting policies 3.1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

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

per Amit Chugh
 Partner
 Membership No.: 05224
 Place: Gurugram
 Date: 29 July 2021



For and on behalf of the Board of Directors of
 ReNew Power Private Limited

(Sumant Sinha)
 Chairman and Managing Director
 DIN- 00972012
 Place: Gurugram
 Date: 29 July 2021

(D Muthukumaran)
 Chief Financial Officer
 Place: Gurugram
 Date: 29 July 2021

(Ashish Jain)
 Company Secretary
 Membership No.: F6508
 Place: Gurugram
 Date: 29 July 2021

ReNew Power Private Limited
Statement of Profit and Loss for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income:			
Revenue from contracts with customers	26	5,958	6,128
Other income	27	8,491	7,019
Total income		14,449	13,147
Expenses:			
Employee benefits expense	28	1,784	1,728
Other expenses	29	919	841
Total expenses		2,703	2,569
Earning before interest, tax, depreciation and amortization (EBITDA)		11,746	10,578
Depreciation and amortization expense	30	1,262	1,197
Finance costs	31	15,122	11,487
Loss before tax		(4,638)	(2,106)
Tax expense			
Current tax	8	-	-
Deferred tax	8	151	513
Loss for the year	(a)	(4,789)	(2,619)
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent periods			
Net gain / (loss) on cash flow hedge reserve		(1,895)	963
Net gain / (loss) on cost of hedge reserve		283	(795)
Income tax effect		501	(1,015)
Net other comprehensive loss that will be reclassified to profit or loss in subsequent periods	(b)	(1,111)	(847)
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement losses on defined benefit plans		(6)	(11)
Income tax effect		2	4
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods	(c)	(4)	(7)
Other comprehensive loss for the year, net of tax	(d)=(b) + (c)	(1,115)	(854)
Total comprehensive loss for the year	(a) + (d)	(5,904)	(3,473)
Earnings per share: (face value per share: INR 10)			
(1) Basic	32	(9.90)	(5.70)
(2) Diluted	32	(9.90)	(5.70)
Summary of significant accounting policies	3.1		

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

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 29 July 2021



For and on behalf of the Board of Directors of
ReNew Power Private Limited

(Sumant Sinha)
Chairman and Managing Director
DIN- 00972012
Place: Gurugram
Date: 29 July 2021

(D Muthukumaran)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2021

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2021

ReNew Power Private Limited
Statement of Cash Flows for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Loss before tax	(4,638)	(2,106)
Adjustments for:		
Depreciation and amortisation expense	1,262	1,197
Operation and maintenance	123	10
Share based payments	303	195
Gratuity expense	23	12
Leave encashment expense	40	21
Interest income	(7,988)	(6,746)
Capital work in progress written off	39	-
Interest expense	14,297	11,102
Unwinding of discount on provisions	42	-
Impairment allowance for financial assets	8	-
Option premium amortisation	683	214
Unamortised ancillary borrowing cost written off	39	127
Operating profit before working capital changes	4,233	4,026
Movement in working capital		
(Increase)/decrease in trade receivables	(2,058)	(978)
(Increase)/decrease in inventories	(2)	(9)
(Increase)/decrease in other assets	(164)	148
(Increase)/decrease in financial assets	(602)	(1,124)
(Increase)/decrease in prepayments	(5)	(1,446)
(Increase)/decrease in other non-current financial assets	(6)	(9)
(Increase)/decrease in other non-current assets	1	18
Increase/(decrease) in other liabilities	166	231
(Decrease)/increase in trade payables	(309)	121
(Decrease)/increase in financial liabilities	(1,137)	(112)
Increase/(decrease) in provisions	(48)	(5)
Cash generated from operations	69	861
Income tax refund/(paid) (net)	576	(605)
Net cash generated from operating activities	645	256
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress, capital creditors and capital advances	(1,237)	(4,028)
Proceeds from sale of property, plant and equipment	1	-
Investment in bank deposits having remaining maturity of more than 3 months	5,533	(9,656)
Loan given to subsidiaries- unsecured loan	(66,023)	(88,506)
Loan repaid by subsidiaries- unsecured loan	79,607	49,421
Investment in subsidiaries	(24,881)	(10,228)
Share application money paid and due for refund	-	85
Interest received	2,674	1,507
Net cash used in investing activities	(4,326)	(61,405)
Cash flow from financing activities		
Proceeds from issue of compulsorily convertible preference shares	-	20,903
Proceeds from long-term borrowings	3,738	56,454
Repayment of long-term borrowings	(13,030)	(29,002)
Proceeds from short-term borrowings	54,637	41,539
Repayment of short-term borrowings	(29,252)	(18,580)
Payment of lease liabilities	(120)	(117)
Option premium paid	(400)	(214)
Interest paid	(6,609)	(7,198)
Payment for buyback of stock options	(688)	-
Net cash generated from financing activities	8,276	63,785
Net increase in cash and cash equivalents	4,595	2,636
Cash and cash equivalents at the beginning of the year	2,916	280
Cash and cash equivalents at the end of the year	7,511	2,916



ReNew Power Private Limited
Statement of Cash Flows for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

Components of cash and cash equivalents

Cash and cheques on hand	0	0
Balances with banks:		
- On current accounts	6,999	2,916
- On deposit accounts with original maturity of less than 3 months	512	-
Total cash and cash equivalents (note 14)	7,511	2,916

Changes in liabilities arising from financing activities

Particulars	Opening balance as at 1 April 2020	Cash flows (net)	Other changes*	Closing balance as at 31 March 2021
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	98,724	(13,030)	5,917	91,611
Short-term borrowings	55,027	25,385	-	80,411
Total liabilities from financing activities	153,751	12,355	5,917	172,023

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)	45,376	48,356	4,992	98,724
Short-term borrowings	31,909	22,958	160	55,027
Total liabilities from financing activities	77,285	71,314	5,152	153,751

* other changes include reinstatement of long-term borrowings, adjustment of ancillary borrowing cost.

Refer note 34 for movement in lease liabilities.

Summary of significant accounting policies

3.1

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

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

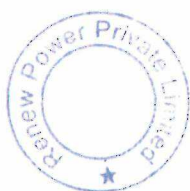
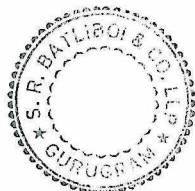
Chartered Accountants

per Amit Chugh
Partner

Membership No.: 505224

Place: Gurugram

Date: 29 July 2021



For and on behalf of the Board of Directors of
ReNew Power Private Limited

(Sumant Sinha)
Chairman and Managing Director
DIN- 00972012
Place: Gurugram
Date: 29 July 2021

(D Muthukumar)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2021

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2021

ReNew Power Private Limited
Statement of Changes in Equity for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of the Company						Total equity
	Reserves and Surplus					Items of OCI	
	Equity share capital (refer note 15A)	Securities premium (refer note 16A)	Share based payment reserve (refer note 16D)	Retained earnings (refer note 16E)	Debtenture redemption reserve (refer note 16B)	Hedging Reserve (refer note 16C and note 39)	
At 1 April 2019	3,799	67,150	1,086	-	2,443	-	74,478
Less for the year	-	-	-	(2,619)	-	-	(2,619)
Other comprehensive loss (net of taxes)	-	-	-	(7)	-	(847)	(854)
Total comprehensive income	-	-	-	(2,626)	-	(847)	(3,473)
Amount transferred from share based payment reserve to retained earnings	-	-	(132)	132	-	-	5
Amount against stock options relating to subsidiary	-	-	5	-	-	-	202
Share-based payment expense	-	-	202	-	-	-	-
Transfer from debtenture redemption reserve	-	-	-	1,681	(1,681)	-	-
At 31 March 2020	3,799	67,150	1,161	(813)	762	(847)	71,212
Less for the year	-	-	-	(4,789)	-	-	(4,789)
Other comprehensive loss (net of taxes)	-	-	-	(4)	-	(1,111)	(1,115)
Total Comprehensive Income	-	-	-	(4,793)	-	(1,111)	(5,904)
Share-based payment expense	-	-	169	-	-	-	169
Amount against stock options relating to subsidiary (refer note 35)	-	-	13	-	-	-	13
Fortifiture of vested options	-	-	3	(3)	-	-	-
Repurchase of vested stock options (refer note 36)	-	-	(182)	(471)	-	-	(653)
Transfer from debtenture redemption reserve	-	-	-	449	(449)	-	-
Others*	-	-	-	(121)	-	-	(121)
At 31 March 2021	3,799	67,150	1,164	(5,752)	313	(1,958)	64,716

* represents distribution to owner recognised for financial guarantees (refer note 35)

Summary of significant accounting policies

3.1

The accompanying notes are an integral part of the Financial Statements

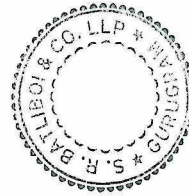
As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E E300005
Chartered Accountants

(Signature)
per Amit Chandra
Partner

Membership No.: 505224
Place: Gurugram
Date: 29 July 2021



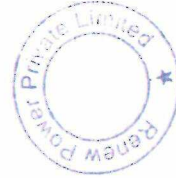
For and on behalf of the Board of Directors of
ReNew Power Private Limited

(Signature)

(Sumant Sinha)
Chairman and Managing Director
DIN- 00972012
Place: Gurugram
Date: 29 July 2021

(Signature)

(D Muthukumar)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2021



(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2021

1 General 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 08 November 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 Company is carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Financial Statements of the Company were approved for issue by the Company's Board of Directors on 29 July 2021.

2 Basis of preparation

The Company prepared its Financial Statements as per Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The Financial Statements have been prepared using presentation and disclosure requirements of the Schedule III of 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)

3.1 Summary of Significant Accounting Policies

a) Current versus non-current classification

The Company 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The operating cycle is the time between the acquisition of assets for processing and their realisation/settlement in cash and cash equivalents. The company has identified twelve months as their operating cycle for classification of their current assets and liabilities.

b) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each reporting 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:

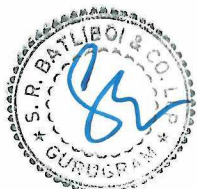
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

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 Company 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 or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company 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.

The management of the company determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, and significant liabilities. Involvement of external valuers is determined annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management of the Company 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 Company.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the management presents the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations. For the purpose of fair value disclosures, the Company 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, as explained above.

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 43)
- Quantitative disclosures of fair value measurement hierarchy (Refer Note 41)
- Financial instruments (including those carried at amortised cost) (Refer Note 40)

c) Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company 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.

a) Sale of Power

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

The Company 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 Company considers the effects of variable consideration and existence of a significant financing component. There is only one performance obligation in the arrangement and therefore, allocation of transaction price is not required.

b) Income from services (management consultancy)

Revenue from projects management/technical consultancy are recognised as per the terms of agreement on the basis of services rendered. 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.

Variable consideration

If the consideration in a contract includes a variable amount, the Company 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. To estimate the variable consideration, the Company applies the most likely method.

Rebates

In some PPAs, the Company 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.

Significant financing component

Significant financing component for customer contracts is considered for the length of time between the customers' payment and the transfer of the performance obligation, as well as the prevailing interest rate in the market. The transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception.

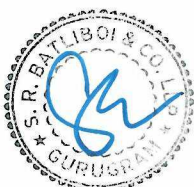
(ii) Contract balances

a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company 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. Contract assets are subject to impairment assessment. Refer to accounting policies in section (m) Impairment of non-financial assets.

b) Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company 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 Company performs under the contract (i.e., transfers control of the related goods or services to the customer).



c) Trade receivables

A receivable represents the Company'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).

(iii) Others

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.

Dividend

Dividend income is recognised when the right of the Company to receive dividend is established by the reporting date.

d) Foreign currencies

The Company 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 Company operate.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

e) 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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred Tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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.

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

In situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognised 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 recognised in the period in which the temporary differences originate. However, the Company 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 realised.

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 a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.



f) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied 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 company 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 company 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 Company 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"

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Consumables and spares: 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.

Unserviceable / damaged inventories are identified and written down based on technical evaluation.

h) 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 if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company 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. Freehold land is stated at cost net of accumulated impairment losses and is not depreciated.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (Note 43) and provisions (Note 19) for further information about the recognised decommissioning provision.

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 Company 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 (i.e., at the date the recipient obtains control) 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 PPE 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.

i) Intangible assets

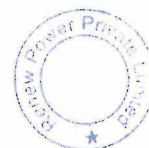
Intangible assets acquired separately are measured in initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

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.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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 or loss.

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.



Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Development costs

Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

j) Depreciation/amortization of property, plant and equipment and intangible assets

Depreciation and amortisation 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 or terms of power purchase agreement, whichever is less (15-25)
Plant and equipment (wind power projects till 30th September 2020)*	25
Plant and equipment (wind power projects from 1st October 2020) (refer note 43)*	30
Plant and equipment (others)	5-18
Office equipment	5
Furniture and fixture	10
Computers	3
Computer servers	6
Computer softwares	3-6
Leasehold improvements	Useful life or lease term (5 years), whichever is lower

* 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 and amortisation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing costs consist of interest, discount on issue, premium payable on redemption and other costs that an entity incurs in connection with the borrowing of funds (this cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs). The borrowing costs are amortised basis the Effective Interest Rate (EIR) method over the term of the loan. The EIR amortisation is recognised under finance costs in the 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, company borrows funds for general purpose and uses them for the purpose of obtaining a qualifying asset, the company determines 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 company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. In case any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

l) Leases

The Company 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 Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company 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 Company 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 accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term, and the estimated useful lives of the assets, as follows:

- Leasehold land: 13 to 30 years
- Building: 3-5 years

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

ii) Lease liabilities

At the commencement date of the lease, the Company 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 in-substance 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 Company and payments of penalties for terminating the lease, if the lease term reflects the Company 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 Company 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 Company 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 Company 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.

m) Impairment of non-financial assets

The company 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 company 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 Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a remaining life of the power purchase agreements of the project considering the long term fixed rate firm agreements available.

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 company 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.

Intangible assets under development are tested for impairment annually on 31 March, or more frequently when there is an indication that these assets may be impaired, either individually or at the cash-generating unit level.



n) Share based payments

Company provides additional benefits to certain members of senior management and employees of the Company and a subsidiary 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 Company'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 Company'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.

Share based payment cost, to the extent pertaining to the employees of subsidiary, is reduced from employee benefit expenses of the Company and is considered as deemed investment in the form of capital contribution in the subsidiary.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit or loss.

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

On repurchase of vested equity instruments by the Company, the payment made to the employee shall be accounted for as a deduction from equity, except to the extent that the payment exceeds the fair value of the equity instruments repurchased, measured at the repurchase date. Any such excess shall be recognised as an expense in the statement of profit or loss.

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense (refer note 28). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a Black-Scholes model, further details of which are given in Note 36. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

o) Retirement and other employee benefits

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

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognised 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 recognised in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit or loss in subsequent periods.

The Company 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 year-end carried out using the projected unit cost method.

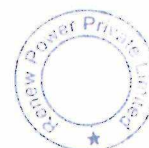
Past service costs are recognised in statement of profit or loss on the earlier of:

- 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 Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit or 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

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



The Company 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 year-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. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

p) Provisions

Provisions are recognised when the company 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 company 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.

Decommissioning liability

The Company considers constructive obligations and records a provision for decommissioning costs of the wind and solar power plants. Decommissioning costs are provided for at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the relevant asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

q) 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

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed in section (c) Revenue from contracts with customers.

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 Company 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payments of principal and interest.

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 company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.



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

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

In addition, the company 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 company 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.

Embedded derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Equity investments

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

If the Company 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 Statement of Profit and Loss, even on sale of investment. However, the company 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 Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The respective company 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 companies under the company 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 Company 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 company continues to recognise the transferred asset to the extent of the continuing involvement of company. In that case, the company 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 company 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 company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

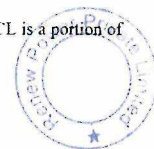
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The application of simplified approach does not require the Company 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 company 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. The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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.



The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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

For financial guarantee contracts, the date that the company becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the company considers the changes in the risk that the specified debtor will default on the contract. As the company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the company expects to receive from the holder, the debtor or any other party.

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 company 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.

Compound Instruments- Compulsorily Convertible Preference Shares (CCPS)

Compulsorily Convertible Preference Shares (CCPS) 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.

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.

Financial guarantees

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

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

Offsetting of financial instruments

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



r) Investment in subsidiaries and associates

The Company has elected to recognize its investments in subsidiaries and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements', less accumulated impairment loss, if any. Cost represents amount paid for acquisition of the said investments.

The Company has elected to continue with the carrying value for all of its investments in subsidiaries and associate companies as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

The details of such investment are given in Note 6. Refer to the accounting policies in section (m) Impairment of non-financial assets.

s) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as interest rate swaps and call options, 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 Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

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

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 or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

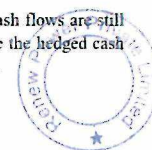
The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised as other expense and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

The Company designates the forward element of forward contracts as a hedging instrument. The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

When option contracts are used, the Company uses only intrinsic value of the option as the hedging instrument. Gains or losses relating to the effective portion of the changes in intrinsic value of the option are recognised in the cash flow hedging reserve which equity. The changes in the time value of money that relate to the hedged item are recognised within other comprehensive income in the cost of hedging reserve within equity.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.



Interest income

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

The details of such investment are given in Note 6. Refer to the accounting policies in section (m) Impairment of non-financial assets.

t) Cash and Cash-Equivalents

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

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

Bank balances other than cash and cash equivalents

Bank balances other than cash and cash equivalents consists of deposits with an original maturity of more than three months. These balances are is classified into current and non-current portions based on the remaining term of the deposit.

u) Measurement of EBITDA

The company 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 company 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.

v) 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 company 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.

w) Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares and instruments mandatorily convertible into 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 Company 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 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.

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ReNew Power Private Limited
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land #	Plant and equipment	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost								
At 1 April 2019	461	16,333	129	44	33	43	17,043	7,403
Additions during the year [^]	91	11,797	-	4	0	14	11,906	6,772
Capitalised during the year	-	-	-	-	-	-	-	(11,797)
Disposals	-	(2)	-	(0)	-	(3)	(5)	(21)
At 31 March 2020	552	28,128	129	48	33	54	28,944	2,357
Additions during the year [^]	1	4,734	5	5	2	25	4,772	1,150
Adjustment*	(1)	-	-	-	-	-	(1)	(106)
Disposals during the year	-	-	-	(1)	-	(3)	(4)	-
Capitalised during the year	-	-	-	-	-	-	-	(3,086)
At 31 March 2021	552	32,862	134	52	35	76	33,711	315
Accumulated depreciation								
At 1 April 2019	-	1,855	31	13	4	22	1,924	-
Charge for the year (refer note 30)	-	1,012	24	8	4	12	1,060	-
Disposals during the year	-	(0)	-	(0)	-	(3)	(3)	-
At 31 March 2020	-	2,867	55	21	8	31	2,981	-
Charge for the year (refer note 30)	-	1,070	25	11	3	13	1,122	-
Disposals during the year	-	-	-	(1)	-	(2)	(3)	-
At 31 March 2021	-	3,937	80	31	11	42	4,101	-
Net book value								
At 31 March 2020	552	25,261	74	27	25	24	25,963	2,357
At 31 March 2021	552	28,925	54	21	24	34	29,610	315

The title of freehold land amounting to INR 32 (31 March 2020 INR 41) is not yet in the name of the Company.

Mortgage and hypothecation on Property, plant and equipment:

Property, plant and equipment with a carrying amount of INR 29,925 (31 March 2020: INR 28,320) are subject to a pari passu first charge to respective lenders for project term loans, listed senior secured notes and debentures as disclosed in Note 17.

[^] Capitalised borrowing costs

The amount of borrowing costs capitalised during the year was INR 218 (31 March 2020: INR 449) included in capital work in progress. The rate ranging of 6.34% to 15.02% used to determine borrowing costs eligible for capitalisation was the effective interest rate of specific borrowings.

*** Adjustment pertains to following**

Adjustment of INR 1 (31 March 2020: INR Nil) under freehold land is on account of actualisation of provisional capitalization.
Adjustment of INR 106 (31 March 2020: INR Nil) under capital work in progress is on account of downsizing of project.



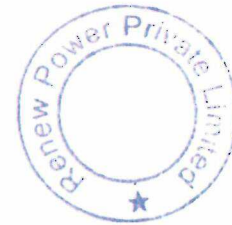
ReNew Power Private Limited

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

5 Intangible assets	Computer software	Total Intangibles	Intangible asset under development
Cost			
At 1 April 2019	138	138	6
Additions during the year	19	19	34
At 31 March 2020	157	157	40
Additions during the year	81	81	67
Capitalised during the year	-	-	(81)
At 31 March 2021	238	238	26
Amortisation			
At 1 April 2019	58	58	-
Amortisation for the year (refer note 30)	24	24	-
At 31 March 2020	82	82	-
Amortisation for the year (refer note 30)	33	33	-
At 31 March 2021	115	115	-
Net book value			
At 31 March 2020	75	75	40
At 31 March 2021	123	123	26

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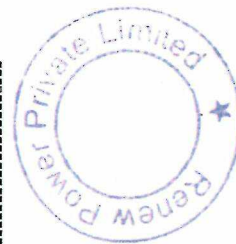


ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

5A Right of use assets

Right of use assets	Leaschold land	Building	Total
Cost			
As at 1 April 2019	139	372	511
Additions during the year	71	13	84
Deletions during the year	(4)	(3)	(7)
As at 31 March 2020	206	382	588
Additions during the year	-	27	27
Modifications during the year	-	(26)	(26)
As at 31 March 2021	206	383	589
Depreciation			
As at 1 April 2019	-	-	-
Charge for the year	11	102	113
As at 31 March 2020	11	102	113
Charge for the year	11	96	107
As at 31 March 2021	22	198	220
Net book value			
As at 31 March 2020	195	280	475
As at 31 March 2021	184	185	369

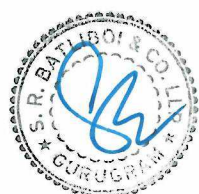
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ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

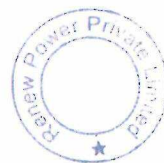
6 Non-current investments (non trade)

	As at 31 March 2021	As at 31 March 2020
Investment in subsidiaries at cost		
<i>Unquoted equity shares</i>		
Investment in subsidiaries		
5,194,000 (31 March 2020: 5,194,000) equity shares of INR 10 fully paid up in ReNew Wind Energy Delhi Private Limited	519	519
3,870,000 (31 March 2020: 3,870,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jadeswar) Private Limited	350	350
11,922,125 (31 March 2020: 11,922,125) equity shares of INR 10 fully paid up in ReNew Wind Energy (Rajkot) Private Limited	1,191	1,191
8,156,000 (31 March 2020: 8,156,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Shivpur) Private Limited	815	815
10,750,006 (31 March 2020: 10,750,006) equity shares of INR 10 fully paid up in ReNew Wind Energy (Varekarwadi) Private Limited	1,280	1,280
7,248,585 (31 March 2020: 7,248,585) equity shares of INR 10 fully paid up in ReNew Wind Energy (Sipla) Private Limited	657	657
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Orissa) Private Limited	0	0
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jamb) Private Limited	0	0
4,897,000 (31 March 2020: 4,897,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Welturi) Private Limited	489	489
4,226,000 (31 March 2020: 4,226,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (MP) Private Limited	422	422
237,300 (31 March 2020: 239,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (AP) Private Limited	23	23
8,939,000 (31 March 2020: 8,939,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited	893	893
83,981,669 (31 March 2020: 35,548,278) equity shares of INR 10 fully paid up in ReNew Solar Power Private Limited	12,517	3,554
374,501 (31 March 2020: 297,701) equity shares of INR 10 fully paid up in ReNew Wind Energy (Karnataka) Private Limited	58	29
7,509,000 (31 March 2020: 7,509,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan) Private Limited	750	750
15,296,724 (31 March 2020: 15,296,724) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jath) Private Limited	1,529	1,529
14,202,490 (31 March 2020: 12,602,490) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 2) Private Limited	1,443	1,243
10,054,050 (31 March 2020: 10,054,050) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 3) Private Limited	1,005	1,005
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 4) Private Limited	0	0
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Green Energy Solutions Private Limited (formerly known as ReNew Wind Energy (Jath Three) Private Limited)	0	0
90,000 (31 March 2020: 90,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Karnataka Two) Private Limited	1	1
1,010,000 (31 March 2020: 1,010,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Karnataka Five) Private Limited	10	10
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (MP One) Private Limited	0	0
1,444,000 (31 March 2020: 1,444,000) equity shares of INR 10 fully paid up in Renew Wind Energy (MP Two) Private Limited	144	144
3,646,500 (31 March 2020: 3,646,500) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan One) Private Limited	364	364
163,000 (31 March 2020: 163,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan 2) Private Limited	2	2
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan 3) Private Limited	0	0
191,000 (31 March 2020: 191,000) equity shares of INR 10 fully paid up in Renew Wind Energy (TN) Private Limited	2	2
15,000 (31 March 2020: 15,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Vaspet 5) Private Limited	0	0
6,710,000 (31 March 2020: 6,710,000) equity shares of INR 10 fully paid up in Narmada Wind Energy Private Limited	672	672
651,620 (31 March 2020: 651,620) equity shares of INR 10 fully paid up in Abaha Wind Energy Developers Private Limited	7	7
14,094,485 (31 March 2020: 3,932,389) equity shares of INR 10 fully paid up in Renew Solar Energy Private Limited	2,331	502
19,000,000 (31 March 2020: 19,000,000) equity shares of INR 10 fully paid up in Shruti Power Projects Private Limited	197	197



ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
Investment in subsidiaries at cost		
<i>Unquoted equity shares</i>		
Investment in subsidiaries		
9,819,600 (31 March 2020: 9,819,600) equity shares of INR 10 fully paid up in Helios Infratech Private Limited	1,219	1,219
5,801,000 (31 March 2020: 5,801,000) equity shares of INR 10 fully paid up in Molagavalli Renewable Private Limited	603	603
2,492,376 (31 March 2020: 1,423) equity shares of INR 10 fully paid up in ReNew Vayu Urja Private Limited (formerly known as KCT Renewable Energy Private Limited)	4,904	4,452
10,000 (31 March 2020: 10) equity shares of INR 10 fully paid up in ReNew Services Private Limited	0	0
10,000 (31 March 2020: 10) equity shares of INR 10 fully paid up in ReNew Vyan Shakti Private Limited	0	0
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Transmission Ventures Private Limited	0	0
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Vyoman Energy Private Limited	0	0
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in ReNew Vyoman Power Private Limited	0	0
10,000 (31 March 2020: 10000) equity shares of SGD 1 fully paid up in ReNew Power Singapore PTE Ltd.	1	1
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in Kanak Renewables Limited	1	1
10,000 (31 March 2020: 10,000) equity shares of INR 10 fully paid up in Rajat Renewables Limited	1	1
33,701,364 (31 March 2020: 6,651,000) equity shares of INR 10 fully paid up in Pugalur Renewable Private Limited	3,370	665
23,140,140 (31 March 2020: 5,451,000) equity shares of INR 10 fully paid up in Bidwal Renewable Private Limited	2,314	545
808,201,915 (31 March 2020: 793,172,748) equity shares of INR 10 fully paid up in ReNew Power Services Private Limited	9,083	8,182
2,311,000 (31 March 2020: 2,311,000) equity shares of INR 10 fully paid up in Zemira Renewable Energy Limited	227	227
Nil (31 March 2020: 860,000) equity shares of USD 1 fully paid up in ReNew Americas INC	-	62
1,118,838 (31 March 2020: 1,118,838) equity shares of GBP 1 fully paid up in ReNew Power International Limited	102	102
10,000 (31 March 2020: Nil) equity shares of INR 10 fully paid up in ReNew Vayu Power Private Limited	0	-
10,000 (31 March 2020: Nil) equity shares of INR 10 fully paid up in ReNew Vayu Energy Private Limited	0	-
10,000 (31 March 2020: Nil) equity shares of INR 10 fully paid up in ReNew Pawan Urja Private Limited	0	-
10,000 (31 March 2020: Nil) equity shares of INR 10 fully paid up in ReNew Pawan Shakti Private Limited	0	-
10,000 (31 March 2020: Nil) equity shares of INR 10 fully paid up in ReNew Photovoltaics Private Limited (formerly known as ReNew Saksham Urja Private Limited)	0	-
93,567 (31 March 2020: Nil) equity shares of INR 10 fully paid up in Regent Climate Connect Knowledge Solutions Private Limited	34	-
(a)	49,529	32,707
<i>Unquoted optionally convertible redeemable preference shares</i>		
Investment in subsidiaries at cost		
27,000,000 (31 March 2020: 27,000,000) 0.001% optionally convertible redeemable preference shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited	2,700	2,700
21,165,940 (31 March 2020: 21,165,940) 0.0001% optionally convertible redeemable preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited	2,117	2,117
37,294,470 (31 March 2020: 37,294,470) 0.0001% optionally convertible redeemable preference shares of INR 10 fully paid up in Renew Wind Energy (AP 2) Private Limited	3,729	3,729
3,347,777 (31 March 2020: Nil) 0.0001% optionally convertible redeemable preference shares of INR 10 fully paid up in ReNew Wind Energy (Varekarwadi) Private Limited	603	-
(b)	9,149	8,546
<i>Unquoted convertible preference shares</i>		
Investment in subsidiaries at cost		
11,153,350 (31 March 2020: 11,153,350) 0.001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (AP) Private Limited	1,115	1,115
104,836,743 (31 March 2020: 104,836,743) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited	10,484	10,484
7,231,000 (31 March 2020: 7,231,000) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (MP Two) Private Limited	723	723



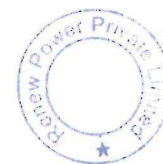
ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
<i>Unquoted convertible preference shares</i>		
Investment in subsidiaries at cost		
7,195,600 (31 March 2020: 7,195,600) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan One) Private Limited	720	720
19,790,970 (31 March 2020: 19,790,970) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan 3) Private Limited	1,979	1,979
5,607,104 (31 March 2020: 5,607,104) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited	561	561
10,283,000 (31 March 2020: 10,283,000) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Shivpur) Private Limited	1,028	1,028
(c)	16,610	16,610
<i>Unquoted debt securities</i>		
Investment in subsidiaries at cost		
18,770,307 (31 March 2020: 18,770,307) 0.001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Karnataka) Private Limited	1,585	1,585
3,030,123 (31 March 2020: 3,030,123) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Orissa) Private Limited	274	274
7,219,324 (31 March 2020: 7,219,324) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Jamb) Private Limited	653	653
2,304,000 (31 March 2020: 2,304,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (MP) Private Limited	208	208
2,892,167 (31 March 2020: 2,892,167) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Varekarwadi) Private Limited	262	262
9,602,580 (31 March 2020: 9,602,580) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan) Private Limited	799	799
1,881,220 (31 March 2020: 1,881,220) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited	156	156
63,205,700 (31 March 2020: 63,205,700) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in Pugalur Renewable Private Limited	535	535
51,530,000 (31 March 2020: 51,530,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in Bidwal Renewable Private Limited	437	437
240,401,408 (31 March 2020: 216,237,455) 0.0001% redeemable non cumulative preference shares of INR 100 fully paid up in ReNew Power Services Private Limited	10,454	9,684
(d)	15,363	14,592
Deemed investment *		
ReNew Power Services Private Limited	69	65
ReNew Solar Power Private Limited	9	-
ReNew Solar Energy (Jharkhand One) Private Limited	0	-
ReNew Services Private Limited	0	-
(e)	78	65
(a) + (b) + (c) + (d) + (e)	90,730	72,521
Aggregate amount of quoted investment along with market value thereof	-	-
Aggregate amount of unquoted investment	90,730	72,521
Aggregate amount of impairment in the value of investments	-	-

* The Company provides additional benefits to certain members of senior management and employees of the Company and ReNew Power Services Private Limited through equity settled Employee Stock Option Plans ('ESOPs'). In accordance with Ind AS 102 – Share Based Payment, these plans represent a component of recipient remuneration and the compensation is recognised in profit or loss of the Company. The compensation expense to the extent pertaining to the employees of ReNew Power Services Private Limited is considered as deemed investment in the form of capital contribution in ReNew Power Services Private Limited.



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ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
7 Financial assets		
Non-current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Security deposits	75	69
Loan to subsidiaries (refer note 35)	4,462	6,004
Loan to subsidiaries - redeemable non cumulative preference shares (refer note 35)	17,779	14,582
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	<u>22,316</u>	<u>20,655</u>
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 14)	1,020	79
Share application money pending allotment (refer note 35)	5	-
Total	<u>1,025</u>	<u>79</u>
Current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Security deposits	16	5
Loans to subsidiaries (refer note 35)	61,912	73,955
Loans to employees	11	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	<u>61,939</u>	<u>73,960</u>
Others		
Recoverable from related parties (refer note 35)	2,277	1,584
Advance recoverable in cash	153	221
Government grants*		
- Generation based incentive receivable	121	167
Interest accrued on fixed deposits	101	123
Interest accrued on loans to subsidiaries (refer note 35)	10,861	7,077
Advance given for purchase of redeemable non-cumulative preference shares (refer note 35)	5,702	668
Total	<u>19,215</u>	<u>9,840</u>

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

Loans and receivables are non-derivative financial assets which generate a fixed interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

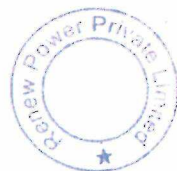
No loans are due from directors or other officers of the company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member.

8 Deferred tax assets (net)

8A Deferred tax asset (net)

Deferred tax liabilities (gross)

Difference in written down value as per books of account and tax laws	4,435	2,967
Unamortized ancillary borrowing cost	147	176
Right of use asset	61	91
Gain on mark to market of derivative instruments	74	1,015
Total	<u>4,717</u>	<u>4,249</u>



	As at 31 March 2021	As at 31 March 2020
	4,435	2,967
	147	176
	61	91
	74	1,015
Total	<u>4,717</u>	<u>4,249</u>



ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

Deferred tax assets (gross)

Losses available for offsetting against future taxable income	4,504	4,250
Operation and maintenance equilisation reserve.	142	104
Lease liabilities	70	98
Provision for gratuity	21	27
Provision for leave encashment	28	22
Provision for decommissioning cost	527	-
Expected credit loss	3	-
Others	24	-
Re-measurement losses on defined benefit plans	6	4
	<u>5,325</u>	<u>4,505</u>
Deferred tax asset (net)	<u>608</u>	<u>256</u>

8B Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Accounting profit before income tax	(4,638)	(2,106)
Tax at the India's tax rate of 31.20% (31 March 2020: 31.20%)	(1,447)	(657)
Adjustment of tax relating to earlier periods	(14)	92
ICDS Impact	(2)	(963)
Effect of tax holidays & tax exemptions	-	203
Changes in estimates on recoverability of tax losses	1,046	1,395
Change in estimates for recoverability of unused tax credits (MAT)	-	144
Interest on compound financial instrument	607	278
Other deductible/non deductible expenses	(39)	21
At the effective income tax rate	<u>151</u>	<u>513</u>
Income tax expense reported in the statement of profit and loss	-	-
Deferred tax expense reported in the statement of profit and loss	151	513
	<u>151</u>	<u>513</u>

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8C Reconciliation of deferred tax assets and deferred tax liabilities (net):

a) For the year ended 31 March 2021

Particulars	Balance of DTA/(DTL) (net) on 1 April 2020	Income/(expense) recognised in profit and loss	Income/(expense) recognised in OCI	Balance of DTA/(DTL) (net) on 31 March 2021
Gain/(Loss) on mark to market of derivative instruments	(1,015)	-	942	(73)
Re-measurement losses on defined benefit plans	4	-	2	6
Difference in written down value as per books of account and tax laws	(2,967)	(1,469)	-	(4,436)
Unamortized ancillary borrowing cost	(176)	28	-	(148)
Provision for decommissioning cost	-	527	-	527
Expected credit loss	-	3	-	3
Losses available for offsetting against future taxable income	4,250	695	(440)	4,505
Provision for operation and maintenance equalisation	104	38	-	142
Lease liabilities	98	(28)	-	70
Provision for leave encashment	22	6	-	28
Provision for gratuity	27	(5)	-	22
Right of use asset	(91)	30	-	(61)
Others	-	23	-	23
	256	(151)	504	608

b) For the year ended 31 March 2020

Particulars	Balance of DTA/(DTL) (net) on 1 April 2019	Income/(expense) recognised in profit and loss for Mar'20	Income/(expense) recognised in OCI	Balance of DTA/(DTL) (net) on 31 March 2020
Gain/(Loss) on mark to market of derivative instruments	-	-	(1,015)	(1,015)
Re-measurement losses on defined benefit plans	1	-	4	5
Difference in written down value as per books of account and tax laws	(494)	(2,472)	-	(2,966)
Unamortized ancillary borrowing cost	(40)	(136)	-	(176)
Security deposit	1	(1)	-	-
Losses available for offsetting against future taxable income	653	3,596	-	4,249
Unused tax credit (MAT)	144	(144)	-	-
Provision for operation and maintenance equalisation	74	30	-	104
Lease liabilities	-	98	-	98
Lease Equalization Reserve	11	(11)	-	-
Loan components of investments	1,395	(1,395)	-	-
Provision for leave encashment	17	5	-	22
Provision for gratuity	18	8	-	26
Right of use asset	-	(91)	-	(91)
	1,780	(513)	(1,011)	256

The company has unabsorbed depreciation and carried forward losses which arose in India of INR 17,791 (31 March 2020: INR 13,621). The unabsorbed depreciation will be available for offsetting against future taxable profits of the Company.

Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the company in which the losses arose are INR 3,353 (31 March 2020: Nil). The unabsorbed depreciation that will be available for offsetting for against future taxable profits of the companies in which the losses arose are of INR 14,437 (31 March 2020: INR 13,621).

The Company has recognised deferred tax asset of INR 4,505 (31 March 2020: INR 4,250) 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 Company has tax losses amounting to INR 3,353 (31 March 2020: INR Nil) having an expiry period of 8 years, unabsorbed depreciation amounting to INR Nil (31 March 2020: INR Nil) which are available for utilisation indefinitely and MAT credit amounting to INR 144 (31 March 2020: INR 144) having an expiry period of 15 years on which deferred tax assets have not been recognised as there may not be sufficient taxable profits to offset these losses.



ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
9 Prepayments		
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	12	591
Total	12	591
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	84	354
Total	84	354
10 Other assets	As at 31 March 2021	As at 31 March 2020
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	192	485
Advances recoverable	26	8
Total	218	493
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	145	102
Balances with Government authorities	34	-
Others	86	0
Total	265	102
11 Inventories	As at 31 March 2021	As at 31 March 2020
Consumables & Spares	11	10
Total	11	10
12 Derivative instruments	As at 31 March 2021	As at 31 March 2020
Financial assets at fair value through OCI		
Current		
Cash flow hedges		
Derivative instruments	747	3,254
Total	747	3,254

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ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

13 Trade receivables

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	6,670	4,615
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	<u>6,670</u>	<u>4,615</u>
Less: Impairment allowance (bad and doubtful debts)	(4)	-
Total	<u>6,666</u>	<u>4,615</u>

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No 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 payment terms of 15-45 days.

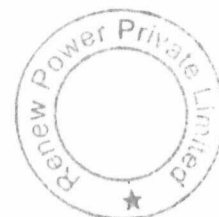
	Impairment allowance
As at 1 April 2019	-
Provision for expected credit losses for the year	-
As at 31 March 2020	-
Provision for expected credit losses for the year	4
As at 31 March 2021	<u>4</u>

14 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents		
Cash on hand	0	0
Balance with bank		
- On current accounts	6,999	2,916
- Deposits with original maturity of less than 3 months #	512	-
	<u>7,511</u>	<u>2,916</u>
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months *#	7,446	13,920
- Remaining maturity for more than twelve months *#	1,020	79
	<u>8,466</u>	<u>13,999</u>
Less: amount disclosed under financial assets (others) (Note 7)	(1,020)	(79)
Total	<u>7,446</u>	<u>13,920</u>

*Fixed deposits of INR 5,217 (31 March 2020: INR 2,908) 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 1827 days and carry an interest rate of 2.00% to 8.25% which is receivable on maturity.



15 Share capital

	Number of shares	Amount
Authorised share capital		
Equity shares of INR 10 each		
At 1 April 2019	500,000,000	5,000
At 31 March 2020	500,000,000	5,000
At 31 March 2021	500,000,000	5,000
Compulsory convertible preference shares of INR 425 each (refer note 17)		
At 1 April 2019	-	-
Increase during the year	60,000,000	25,500
At 31 March 2020	60,000,000	25,500
At 31 March 2021	60,000,000	25,500
Issued share capital		
15A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2019	379,924,556	3,799
At 31 March 2020	379,924,556	3,799
At 31 March 2021	379,924,556	3,799

Terms/rights attached to equity shares

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

The equity shares are redeemable at the option of the holders and, therefore, are considered a puttable instrument in accordance with Ind AS 32. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met in accordance with Ind AS 32, in which case, the puttable instruments may be presented as equity. The equity shares meet the conditions of Ind AS 32 and are, therefore, classified and accounted for as equity. The terms of the equity shares shall be amended pursuant to the completion of the Business Combination event as disclosed in note 49.

15B Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
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.

15C 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.

16 Other equity

16A Securities premium

At 1 April 2019	67,150
At 31 March 2020	67,150
At 31 March 2021	67,150

Nature and purpose

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

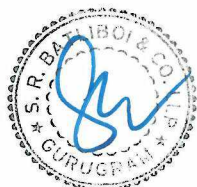
16B Debenture redemption reserve

At 1 April 2019	2,443
Debenture redemption reserve transferred to retained earnings during the year*	(1,681)
At 31 March 2020	762
Debenture redemption reserve transferred to retained earnings during the year*	(449)
At 31 March 2021	313

Nature and purpose

Debenture redemption reserve represents amount transferred from retained earnings as per the requirements of Companies(Share capital and Debentures) Rules, 2014 (as amended)

*Due to insufficient profit during the year, Debenture redemption reserve has been created only to the extent of available profit. Resultantly, there is an overall shortfall as at 31 March 2021: INR 63 (31 March 2020: INR Nil).



ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

16C Hedging Reserve

At 1 April 2019	-
Movement in hedge reserve (refer note 39)	(847)
At 31 March 2020	(847)
Movement in hedge reserve (refer note 39)	(1,111)
At 31 March 2021	<u>(1,958)</u>

Nature and purpose

The Company 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 Company 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 (principal & interest payments).

16D Share based payment reserve

At 1 April 2019	1,086
Expense for the year	202
Amount against stock options relating to subsidiary (refer note 35)	5
Amount transferred to retained earnings on forfeiture of vested options	(132)
At 31 March 2020	<u>1,161</u>
Expense for the year	169
Amount against stock options relating to subsidiary (refer note 35)	13
Repurchase of vested stock options (refer note 36)	(182)
Amount transferred to retained earnings on forfeiture of vested options	3
At 31 March 2021	<u>1,164</u>

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.

16E Retained earnings

At 1 April 2019	-
Loss for the year	(2,619)
Re-measurement losses on defined benefit plans (net of tax)	(7)
Adjustment due to forfeiture of vested options	132
Debt redemption reserve released on account of repayment of debentures	1,681
At 31 March 2020	<u>(813)</u>
Loss for the year	(4,789)
Re-measurement losses on defined benefit plans (net of tax)	(4)
Forfeiture of vested options	(3)
Amount utilised on buyback of stock options (refer note 36)	(471)
Debt redemption reserve released on account of repayment of debentures	449
Others*	(121)
At 31 March 2021	<u>(5,752)</u>

* represents distribution to owner recognised for financial guarantees (refer note 35)

Nature and purpose

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It is a free reserve available to the Group and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

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17 Long term borrowings

Notes	Nominal Interest rate %	Maturity	Non-current		Current	
			31 March 2021	31 March 2020	31 March 2021	31 March 2020
Non Convertible Debentures (secured) (NCDs)						
(i)	8.55% - 11.96%	August 2022 - July 2025	8,924	6,414	-	5,057
(ii)	5.37%	December 2021	-	1,308	1,308	3,739
(iii)	10.50%	December 2021	-	2,884	-	85
(iv)	6.34% - 7.18%	September 2022 - February 2027	54,683	56,037	-	-
(v)	15.02%	June 2022	26,697	23,200	-	-
per Ind AS 109						
Total long-term borrowings			90,304	89,843	1,308	8,881
Amount disclosed under the head 'Other current financial liabilities' (refer note 23)			-	-	(1,308)	(8,881)
			90,304	89,843	-	-

Notes:

Details of Security

(i) Non convertible debentures (secured)

Non-convertible debentures specific to projects are 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, intangible 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 projects.

Non-convertible debentures not specific to projects are 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, intangible assets and accounts, excluding charge on project assets and further secured by pledge over equity shares of certain subsidiaries and step down subsidiaries.

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

Debt Series	Face value per NCD	Nos. of NCDs Outstanding as at 31 March 2021	Nos. of NCDs Outstanding as at 31 March 2020	Outstanding Amount as at 31 March 2021	Outstanding Amount as at 31 March 2020	Nominal Interest rate %	Earliest Redemption Date	Terms of repayment
Not applicable (Unlisted)	1,000,000	3,210	3,210	3,210	3,210	9.45%	30-Jul-25	Bullet
Not applicable (Unlisted)	1,000,000	-	1,210	-	1,210	9.18%	NA	NA
Not applicable (Unlisted)	1,000,000	2,000	2,000	2,000	2,000	11.96%	28-Sep-22	Bullet
Not applicable (Unlisted)	1,000,000	-	5,060	-	5,060	12.75%	NA	Bullet
Total (gross)		3,738	3,738	8,948	11,480	8.55%	31-Aug-22	Bullet
Transaction cost				(9)	(9)			
Total				8,924	11,471			

(ii) Term loan in Indian rupees from banks (Secured)

Term loans specific to projects are 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, intangible 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 projects. These loans usually have repayment cycle of quarterly payments.

Term loans not specific to projects is to be exclusively secured by hypothecation of loans and advances and book debts and it has to be further secured by pledge over 51% shares, compulsorily convertible debentures and other equity like instruments of one direct subsidiary.

(iii) Term loan in Indian rupees 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, intangible 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 company.

(iv) Listed senior secured notes

Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible moveable 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. The senior secured notes shall be repaid through bullet payments starting from September 2022 to February 2027.



ReNew Power Private Limited (formerly known as ReNew Power Limited)
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(v) Compulsorily convertible preference shares (CCPS) treated as financial liability as per Ind AS 109
 On 27 June 2019, the Company has issued 49,184,611 number of Compulsory Convertible Preference Shares (Series A) amounting to INR 20,903 :

Name of Allottee	Number of shares	Face value	Amount received	Balance as at 31 March 2021
GS Wyvern Holding Limited	16,396,294	425	6,968	8,899
Green Rock B 2014 Limited (acting in its capacity as trustee of Green Stone A 2014 Trust)	16,318,729	425	6,935	8,858
Canada Pension Plan Investment Board	16,470,588	425	7,000	8,940
Total	49,184,611		20,903	26,697

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 ascertainable, accordingly these CCPS have been recorded as financial liability and carried at amortised cost. These CCPS carry a yield of 15.02%.

The terms of conversion of CCPS include cap and floor prices for the computation of conversion ratio of the CCPS. These are considered as embedded derivatives and are accounted in FVTPL. The fair value of these embedded derivatives were Nil as on 31 March 2021 (31 March 2020: Nil).



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ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

18 Lease liabilities	As at 31 March 2021	As at 31 March 2020
Non-current		
Lease liabilities (refer note 34)	98	192
Total	98	192
Current		
Lease liabilities (refer note 34)	126	123
Total	126	123

19 Long-Term Provisions	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 33)	83	82
Provision for decommissioning costs	1,689	-
Total	1,772	82

	Provision for decommissioning costs
As at 01 April 2020	-
Arised during the year	1,647
Unwinding of discount and changes in discount rate	42
As at 31 March 2021	1,689

Decommissioning costs

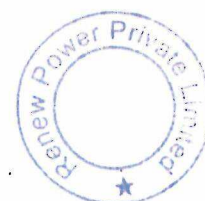
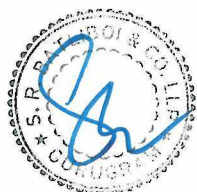
Provision has been recognised for decommissioning costs associated with premises taken on leases wherein the Group is committed to decommission the site as a result of construction of wind and solar power projects.

20 Other non-current liabilities	As at 31 March 2021	As at 31 March 2020
Provision for operation and maintenance equalisation	415	306
Total	415	306

21 Short term borrowings	As at 31 March 2021	As at 31 March 2020
Working capital term loan (secured)	4,000	2,000
Acceptances (unsecured)	-	159
Loan from related parties (unsecured) (refer note 35)	67,411	52,868
Non Convertible Debentures (secured) (NCDs)	9,000	-
Total	80,411	55,027

Working capital term loan (secured)

The term loan from bank carries interest @ 8.85% to 9.75% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 90-365 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.



ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

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Buyer's/Supplier's credit (secured)

Buyer's/Supplier credits carries an interest rate of 1 month Libor 80 bps to 3 month Libor 110 bps are 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.

Non Convertible Debentures (secured) (NCDs)

Non Convertible Debentures (secured) carry interest @ 9.25% per annum and is repayable with a bullet payment within 12 months . The NCDs are secured by first charge over entire current assets

Loan from related party (unsecured)

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

22 Trade payables

	As at 31 March 2021	As at 31 March 2020
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 46)	1	-
Others (refer note 35)	797	1,105
Total	798	1,105

Trade payables are non-interest bearing in nature. For explanations on the Company's liquidity risk management processes, refer to note 42.

23 Other current financial liabilities

	As at 31 March 2021	As at 31 March 2020
Financial guarantee contracts	78	-
Financial liabilities at amortised cost		
Current maturities of long term borrowings (refer note 17)	1,308	8,881
Others		
Interest accrued but not due on borrowings	7,419	3,305
Interest accrued but not due on debentures	246	191
Capital creditors	963	1,345
Advance received for sale of redeemable non-cumulative preference shares (refer note 35)	100	1,100
Purchase consideration payable	304	304
Other payables	-	58
Total	10,418	15,184

24 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Provision for operation and maintenance equalisation	42	27
Shared based payment liability	96	-
Other payables		
TDS payable	438	363
ESI Payable	0	0
GST payable	252	258
Labour welfare fund payable	1	1
Provident fund payable	13	13
Total	842	662

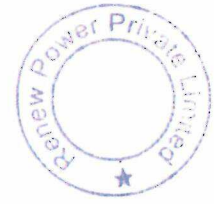


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Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

25 Short-term provisions

	<u>As at 31 March 2021</u>	<u>As at 31 March 2020</u>
Provision for gratuity (refer note 33)	4	3
Provision for compensated absences	89	70
Total	<u><u>93</u></u>	<u><u>73</u></u>

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26 Revenue from contracts with customers

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of power	3,806	3,855
Sale of services - management shared services	2,152	2,273
Total	5,958	6,128

The Company during the year ended 31 March 2021 recognised impairment losses on receivables arising from contracts with customers, included under other expenses in the statement of profit or loss, amounting to INR 4.

- a) The location for all of the revenue from contracts with customers is India.
b) The timing for all of the revenue from contracts with customers is over time.

c) 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 company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

27 Other income

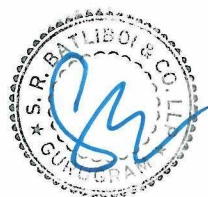
	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income accounted at amortised cost		
- on fixed deposit with banks	635	850
- on loan to fellow subsidiaries - redeemable non cumulative preference shares (refer note 35)	5,715	4,494
- on loan to fellow subsidiaries - redeemable non cumulative preference shares*	1,551	1,395
- others	86	6
Government grant		
- generation based incentive	230	265
Compensation for loss of revenue	110	-
Commission Income	43	-
Profit on sale of assets	0	-
Interest income on income tax refund	74	-
Miscellaneous income	47	9
Total	8,491	7,019

*represents non-cash interest income recognised on redeemable non-cumulative preference shares issued by subsidiaries and subscribed by the Company. These redeemable non-cumulative preference shares are considered as compound financial instrument and a non-cash interest income is recognised in accordance Ind AS 109. Based on legal opinion, management has assessed that such non cash interest income is not to be considered as part of financial income for the purpose of determination of principal business of the Company as per Reserve Bank of India (RBI) norms.

28 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	1,314	1,336
Contribution to provident and other funds	74	74
Share based payments (refer note 36)	303	195
Gratuity expense (refer note 33)	23	23
Staff Welfare Expenses	70	100
Total	1,784	1,728

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ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

29 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional fees	77	161
Corporate social responsibility (refer note 38)	3	11
Travelling and conveyance	21	76
Rent	5	3
Printing and stationery	2	1
Management shared services	48	78
Rates and taxes	37	48
Payment to auditors *	6	6
Insurance	68	33
Operation and maintenance	411	262
Repair and maintenance		
- plant and machinery	26	14
Loss on sale of property plant & equipment and capital work in progress (net)	0	0
Advertising and sales promotion	47	44
Capital work in progress written off	39	-
Security charges	15	11
Communication costs	28	26
Impairment allowance for financial assets	8	-
Miscellaneous expenses	78	67
Total	919	841

*Payment to auditors

As auditor:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Audit fee	3	3
Limited review	1	1
In other capacity:		
Certification fees	1	1
Other services #	182	17
Reimbursement of expenses	0	1
	187	22
Less: Other services transferred to unamortised ancillary cost of borrowings	-	(14)
Less: Reimbursement of expenses transferred to unamortised ancillary cost of borrowings	-	(1)
Less: Reimbursement of expenses from ReNew Energy Global PLC	(142)	-
Less: Fees for other services pertaining to other subsidiaries (refer note 35)	(39)	(2)
Less: Reimbursement of expenses pertaining to subsidiaries (refer note 35)	(0)	(0)
	6	6

includes services received for capital market transactions.

30 Depreciation and amortization expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant & equipment (refer note 4)	1,122	1,060
Amortisation of intangible assets (refer note 5)	33	24
Depreciation of right of use assets (refer note 5A)	107	113
Total	1,262	1,197

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31 Finance costs	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on (accounted at amortised cost)		
- term loans	609	1,346
- loan from related party (refer note 35)	5,248	3,238
- acceptance	6	341
- on working capital demand loan	122	396
- listed senior secured notes	3,777	1,193
- debentures	1,082	2,256
- leases	28	36
- compulsorily convertible preference shares	3,424	2,285
- commercial papers	-	11
Option premium amortisation*	683	214
Unwinding of discount on provisions (refer note 19)	42	-
Bank charges	62	44
Unamortised ancillary borrowing cost written off#	39	127
Total	15,122	11,487

* Reclassification of option premium amortisation on derivative instruments and loss on settlement of derivative instruments designated as cash flow hedge from other expenses to finance costs within the statement of profit or loss

The Company re-assessed classification of option premium amortisation on derivative instruments and loss on settlement of derivative instruments designated as cash flow hedge. The Company had previously classified these items under the head other expenses (note 29) in the statement of profit or loss. During the current financial year, the Company elected to change the classification of these items under the head finance costs in the statement of profit or loss, as the Company believes that such a reclassification provides more relevant information to the users of its financial statements given that it is aligned to practices adopted by its competitors. In addition, the derivative instruments are obtained to mitigate the currency risk on foreign currency interest-bearing loans and borrowings and accordingly classifying the same under head finance cost would be a more reliable presentation.

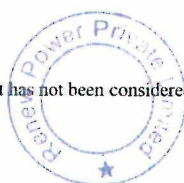
The Company applied this reclassification retrospectively and has an effect on the current and previous years presented. This reclassification has resulted in an increase in finance costs by INR 683 for the year ended 31 March 2021 (31 March 2020: INR 214) with corresponding decrease in other expenses for the respective years. The reclassification has no impact on the profit/(loss) and basic and diluted earnings per share of the Company for the years ended 31 March 2021 and 31 March 2020

This reclassification has resulted in increase in cash outflows from financing activities by INR 400 (31 March 2020: INR 214) with a corresponding increase of cash inflows from operating activities for the year ended 31 March 2021 and 2020.

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

32 Earnings per share (EPS)	For the year ended 31 March 2021	For the year ended 31 March 2020
The following reflects the profit and share data used for the basic and diluted EPS computations:		
Loss attributable to equity holders for basic earnings	(4,789)	(2,619)
Loss for calculation of basic EPS	(4,789)	(2,619)
Weighted average number of equity shares for calculating basic EPS	483,921,868	459,201,195
Basic earnings per share (in INR)	(9.90)	(5.70)
Net loss for calculation of diluted EPS	(4,789)	(2,619)
Weighted average number of equity shares for calculating diluted EPS	483,921,868	459,201,195
Diluted earnings per share* (in INR)	(9.90)	(5.70)
	No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	(a) 379,924,556	379,924,556
Effect of dilution in calculating basic EPS and diluted EPS		
Compulsorily convertible preference shares	(b) 103,997,312	79,276,639
Weighted average number of equity shares in calculating basic EPS	(c) = (a) + (b) 483,921,868	459,201,195
Effect of dilution in calculating diluted EPS		
Convertible equity for employee stock option plan	(d) 7,476,734	4,866,286
Weighted average number of equity shares in calculating diluted EPS	(e) = (c) + (d) 491,398,602	464,067,482

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



33 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 Company has no obligation, other than the contribution payable to the provident fund.

The Company 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. Company 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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Net employees benefit expense recognised in employee cost		
Current service cost	19	19
Interest cost on benefit obligation	5	5
Net expense recognised in profit & loss	<u>23</u>	<u>24</u>

Net expense/(income) recognised in other comprehensive income	6	11
---	---	----

Balance Sheet

	As at 31 March 2021	As at 31 March 2020
Benefit liability		
Present value of unfunded obligation	87	85
Net liability	<u>87</u>	<u>85</u>

	As at 31 March 2021	As at 31 March 2020
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	85	60
Current service cost	19	19
Interest cost	5	5
Benefits paid	(3)	(10)
Remeasurements during the year due to:		
- Experience adjustments	6	2
- Change in financial assumptions	-	9
- Change in demographic assumptions	-	-
Liabilities settled assumed *	(24)	-
Closing defined benefit obligation	<u>87</u>	<u>85</u>

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 Company's expected contribution to the plan assets for the next period is not given.

* Liability transferred on account of transfer of certain employees from ReNew Power Services Private Limited, ReNew Services Private Limited, Renew Solar Energy Private Limited, ReNew Solar Energy Jharkhand One Private Limited, ReNew Solar Power Private Limited & ReNew Solar Services Private Limited.

The principal assumptions used in determining gratuity obligations

	As at 31 March 2021	As at 31 March 2020
Discount rate	6.85%	6.85%
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.

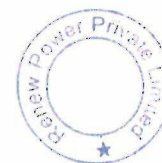
The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards. The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

Particulars	Change in assumptions	As at 31 March 2021	As at 31 March 2020
Discount rate	+ 0.5%	83	91
	- 0.5%	93	80
Salary escalation	+ 0.5%	91	90
	- 0.5%	85	80

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 reporting 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	As at	As at
	31 March 2021	31 March 2020
Within next 12 months	4	3
From 2 to 5 years	23	22
From 6 to 9 years	24	25
10 years and beyond	175	183

The weighted average duration to the payment of these cash flows is 11.47 years (31 March 2020: 12.26 years).

Risk analysis

The Company 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 Company has not funded the defined benefit plans. Therefore, the Company 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:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Contribution to provident fund & other fund charged to statement of profit & loss*	74	74

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

34 Leases

The Company has entered into commercial property lease for its offices. The lease have non-cancellable commitment period which has remaining term of 4.5 years. The Company has the option, under some of its leases, to lease the assets for additional terms of upto three years. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Set out below are the carrying amounts of lease liabilities carried at amortised cost and the movements during the year

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening Balance / As at 1 April 2019 on account of adoption of Ind AS 116	315	385
Additions during the year	27	10
Lease modification during the year	(26)	-
Accretion of interest	28	37
Interest capitalised during the year	0	-
Payments	(120)	(117)
Balance as on 31 March 2021	224	315

- a) There are no restrictions or covenants imposed by leases.
- b) Refer note 29 for rental expense recorded for short-term leases and low value leases for the year ended 31 March 2021.
- c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2021.
- d) The maturity analysis of lease liabilities are disclosed in note-42.
- e) There are no leases which have not yet commenced to which the lessee is committed (if any).
- f) The weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application is 10.40%.

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35 Related party disclosure

a) Names of related parties and related party relationship:

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

I. Entities with significant influence on the Company
 GS Wyvern Holdings Limited

II. Subsidiaries

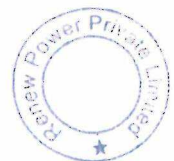
ReNew Wind Energy (AP 3) Private Limited
 ReNew Solar Power Private Limited
 ReNew Wind Energy (MP) Private Limited
 ReNew Wind Energy (Varekarwadi) Private Limited
 ReNew Wind Energy Delhi Private Limited
 ReNew Wind Energy (Jamb) Private Limited
 ReNew Wind Energy (Devgarh) Private Limited
 ReNew Wind Energy (AP) Private Limited
 ReNew Wind Energy (Vaspet 5) Private Limited
 Naminda Wind Energy Private Limited
 ReNew Wind Energy (Sipla) Private Limited
 ReNew Wind Energy (Jatb) Private Limited
 ReNew Wind Energy (Karnataka Two) Private Limited
 Abaha Wind Energy Developers Private Limited
 ReNew Solar Energy Private Limited
 ReNew Wind Energy (TN) Private Limited
 ReNew Wind Energy (MP One) Private Limited
 ReNew Wind Energy (Shivpur) Private Limited
 ReNew Wind Energy (Karnataka) Private Limited
 ReNew Wind Energy (Rajasthan One) Private Limited
 ReNew Wind Energy (Rajasthan 3) Private Limited
 Budwal Renewable Private Limited
 Kanak Renewables Limited
 Rajat Renewables Limited
 Pughar Renewable Private Limited
 ReNew Pawan Ujja Private Limited (incorporated w.e.f. 20 November 2020)
 ReNew Vayu Energy Private Limited (incorporated w.e.f. 20 November 2020)
 ReNew Vayu Power Private Limited (incorporated w.e.f. 12 November 2020)

ReNew Wind Energy (Rajasthan 2) Private Limited
 ReNew Wind Energy (MP Two) Private Limited
 ReNew Green Energy Solutions Private Limited (formerly known as ReNew Wind Energy (Jath Three) Private Limited)
 ReNew Wind Energy (AP2) Private Limited
 ReNew Wind Energy (Orissa) Private Limited
 ReNew Wind Energy (AP 4) Private Limited
 ReNew Wind Energy (Welhar) Private Limited
 ReNew Wind Energy (Rajkot) Private Limited
 ReNew Wind Energy (Jadeswar) Private Limited
 Helios Infotech Private Limited
 Shanti Power Projects Private Limited
 ReNew Power Singapore PTE Limited
 ReNew Vayu Ujja Private Limited (formerly known as KCT Renewable Energy Private Limited)
 Molagavalli Renewable Private Limited
 ReNew Power Services Private Limited
 Zenara Renewable Energy Limited
 ReNew Transmission Ventures Private Limited
 ReNew Americas Inc (dissolved on 9 November 2020)
 ReNew Power International Limited (incorporated w.e.f. 15 October 2018)
 ReNew Vyoman Power Private Limited (incorporated w.e.f. 7 January 2020)
 ReNew Vyoman Energy Private Limited (incorporated w.e.f. 7 January 2020)
 ReNew Wind Energy (Karnataka Five) Private Limited
 ReNew Wind Energy (Rajasthan) Private Limited
 ReNew Services Private Limited (incorporated w.e.f. 20 April 2019)
 ReNew Vyasa Shakti Private Limited (incorporated w.e.f. 4 February 2020)
 ReNew Photovoltaics Private Limited (formerly known as ReNew Saksham Ujja Private Limited) (incorporated w.e.f. 20 November 2020)
 ReNew Pawan Shakti Private Limited (incorporated w.e.f. 20 November 2020)
 Regent Climate Connect Knowledge Solutions Private Limited (acquired w.e.f. 28 August 2020)

III. Step down subsidiaries

Bhumi Prakash Private Limited
 ReNew Distributed Solar Energy Private Limited
 ReNew Distributed Solar Services Private Limited
 ReNew Distributed Solar Power Private Limited
 ReNew Surya Mitra Private Limited
 ReNew Surya Prakash Private Limited
 ReNew Saur Vidyat Private Limited
 ReNew Wind Energy (MP Four) Private Limited
 ReNew Solar Daylight Energy Private Limited
 ReNew Solar Sun Flame Private Limited
 ReNew Wind Energy (TN 2) Private Limited
 ReNew Akshay Ujja Limited
 ReNew Solar Energy (Jharkhand One) Private Limited
 ReNew Solar Energy (Jharkhand Three) Private Limited
 ReNew Solar Energy (Jharkhand Four) Private Limited
 ReNew Solar Energy (Jharkhand Five) Private Limited
 ReNew Wind Energy (Budh 3) Private Limited
 ReNew Solar Energy (Telangana) Private Limited
 ReNew Solar Energy (Karnataka Two) Private Limited
 ReNew Wind Energy (Karnataka 3) Private Limited
 ReNew Wind Energy (Rajasthan four) Private Limited
 ReNew Clean Energy Private Limited
 ReNew Wind Energy (AP Five) Private Limited
 ReNew Solar Energy (TN) Private Limited
 Tarun Kiran Bhoomi Private Limited
 ReNew Wind Energy (Karnataka 4) Private Limited
 ReNew Wind Energy (Maharashtra) Private Limited
 ReNew Solar Energy (Rajasthan) Private Limited
 ReNew Solar Energy (Karnataka) Private Limited
 ReNew Wind Energy (MP Three) Private Limited
 ReNew Saur Ujja Private Limited
 ReNew Solar Services Private Limited
 ReNew Saur Shakti Private Limited
 ReNew Mega Solar Power Private Limited
 ReNew Agni Power Private Limited
 Lexicon Vanija Private Limited
 Symphony Vyapaar Private Limited
 Star Solar Power Private Limited
 Sungold Energy Private Limited
 Nekor Bhoomi Private Limited
 Vivasvat Solar Energy Private Limited
 Nekor Solar Energy Private Limited
 Akhilgaya Solar Energy Private Limited
 Abha Sunlight Private Limited
 Iza Solar Energy Private Limited
 Greenyana Smeatran Private Limited (acquired w.e.f. 13 August 2019)
 ReNew Surya Jyoti Private Limited (incorporated w.e.f. 19 June 2020)
 ReNew Surya Aayan Private Limited (incorporated w.e.f. 22 June 2020)
 ReNew Solar Vidhi Private Limited (incorporated w.e.f. 03 July 2020)
 ReNew Surya Pratap Private Limited (incorporated w.e.f. 04 July 2020)

Zorya Solar Energy Private Limited
 Adyah Solar Energy Private Limited (disposed off on 15 February 2021)
 Ostro Energy Private Limited
 Ostro Jaisahar Private Limited
 Ostro Renewables Private Limited
 Ostro Ujja Wind Private Limited
 Ostro Dakshin Power Private Limited
 Ostro Raj Wind Private Limited
 Ostro Rama Wind Private Limited
 Ostro Dhar Wind Private Limited
 Ostro Bhesada Wind Private Limited
 Ostro Alpha Wind Private Limited
 Ostro Kannada Power Private Limited
 Ostro Andhra Wind Private Limited
 Ostro AP Wind Private Limited
 Ostro Madhya Wind Private Limited
 Ostro Kutch Wind Private Limited
 Badouli Power Private Limited
 AVP Powerinfra Private Limited
 Ostro Anantapur Private Limited
 Ostro Malawi Wind Power Private Limited
 Zoeya Distributed Power Services Private Limited (incorporated w.e.f. 20 November 2018)
 Auto Solar Energy Private Limited (incorporated w.e.f. 8 June 2018)
 ReNew Clean Tech Private Limited (incorporated w.e.f. 28 January 2019)
 ReNew Sun Ability Private Limited (incorporated w.e.f. 20 February 2019)
 ReNew Sun Bright Private Limited (incorporated w.e.f. 29 March 2019)
 ReNew Sun Flash Private Limited (incorporated w.e.f. 14 March 2019)
 ReNew Sun Energy Private Limited (incorporated w.e.f. 29 March 2019)
 Anxo Sunlight Private Limited (incorporated w.e.f. 26 March 2019)
 ReNew Mega Light Private Limited (incorporated w.e.f. 28 March 2019)
 ReNew Sun Waves Private Limited (incorporated w.e.f. 14 March 2019)
 ReNew Green Solutions Private Limited (incorporated w.e.f. 22 August 2019)
 ReNew Mega Spark Private Limited (incorporated w.e.f. 20 June 2019)
 ReNew Surya Roshni Private Limited (incorporated w.e.f. 12 February 2020)
 ReNew Sun Power Private Limited (incorporated w.e.f. 6 May 2019)
 ReNew Surya Ojas Private Limited (incorporated w.e.f. 19 November 2019)
 ReNew Green Power Private Limited (incorporated w.e.f. 12 September 2019)
 Prathamesh Solarfarms Limited (w.e.f. 30 January 2019) =
 ReNew Green Energy Private Limited (incorporated w.e.f. 4 July 2019)
 ReNew Mega Ujja Private Limited (incorporated w.e.f. 21 June 2019)
 ReNew Mega Green Private Limited (incorporated w.e.f. 5 July 2019)
 Sheldhawati Solar Park Private Limited (acquired w.e.f. 3 December 2019)
 ReNew Solar Ujja Private Limited (incorporated w.e.f. 19 November 2019)
 ReNew Surya Vihann Private Limited (incorporated w.e.f. 13 February 2020)
 ReNew Energy Services Private Limited (formerly known as Sun Source Energy Services Private Limited)
 Anlok Solarfarms Limited (acquired w.e.f. 01 January 2021)
 Shreyas Solarfarms Limited (acquired w.e.f. 01 January 2021)
 Heramba ReNewables Limited (acquired w.e.f. 01 January 2021)
 Abha Solarfarms Limited (acquired w.e.f. 01 January 2021)
 ReNew Surya Uday Private Limited (incorporated w.e.f. 30 July 2020)



ReNew Power Private Limited (formerly known as ReNew Power Limited)
Notes to Financial Statements for the year ended 31 March 2021
 (Amounts in INR millions, unless otherwise stated)

ReNew Surya Alok Private Limited (incorporated w.e.f. 28 July 2020)
 ReNew Surya Kiran Private Limited (incorporated w.e.f. 29 July 2020)
 ReNew Surya Tejas Private Limited (incorporated w.e.f. 30 July 2020)
 ReNew Ravi Tejas Private Limited (incorporated w.e.f. 30 March 2020)
 ReNew Sun Shakti Private Limited (incorporated w.e.f. 28 December 2020)

ReNew Solar Piyush Private Limited (incorporated w.e.f. 31 July 2020)
 ReNew Solar Stellar Private Limited (incorporated w.e.f. 02 August 2020)
 ReNew Sunlight Energy Private Limited (incorporated w.e.f. 15 December 2020)
 ReNew Sun Renewables Private Limited (incorporated w.e.f. 18 December 2020)

* Investment purchased from subsidiaries companies and converted as direct subsidiary from the date mentioned

IV. Entities under joint control

Prathamesh Solarfarms Limited (till 30 January 2019)
 Heramba Renewables Limited (till 31 December 2020)*
 Aalok Solarfarms Limited (till 31 December 2020)*

Shreevas Solarfarms Limited (till 31 December 2020)*
 Abha Solarfarms Limited (till 31 December 2020)*
 VG DTL Transmissions Private Limited

*These companies ceased to exist as entities under joint control with effect from 1 January 2021 as control was established from this date.

V. Key management personnel (KMPs) and relatives of KMPs:

Mr. Sumant Sinha, Chairman and Managing Director
 Mr. Ravi Seth, Chief Financial Officer (till 2 September 2019)
 Mr. D Muthukumar, Chief Financial Officer (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

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

ReNew Foundation
 Wisemore Advisory Private Limited

b) Related Party transactions and balances outstanding:

a. Management shared services received and expenses incurred on behalf of the Company by related parties:

for the year ended 31st March 2021		for the year ended 31st March 2020	
Expenses made	Management Shared Services #	Expenses made	Management Shared Services #
107	48	10	78

ReNew Power Service Private Limited and Ostro Energy Private Limited has charged certain common expenses to its group companies on the basis of its best estimate expenses incurred for each of its group companies and recovered the said expenses in the form of "Management Shared Services". The Management believes that the method adopted is most appropriate basis for recovering of such common expenses.

Outstanding balance

31st March 2021	31st March 2020
Trade Payable	Trade Payable
162	100

b. Rendering of management shared services, reimbursement of expenses and expenses incurred on behalf of various subsidiaries by the Company:-

for the year ended 31st March 2021			for the year ended 31st March 2020		
Expenses on Behalf	Management Shared Services*	Reimbursement Of Expenses	Expenses on Behalf	Management Shared Services*	Reimbursement Of Expenses
384	2,539	615	217	2,682	329

* Inclusive of service tax and GST of INR 387 (31 March 2020: INR 409)

Consumable purchase and Consumable sale by the Company from related parties during the year

for the year ended 31st March 2021		for the year ended 31st March 2020	
Sale of Consumables	Purchase of Consumables	Sale of Consumables	Purchase of Consumables
6	12	1	14

Fixed Asset purchased and fixed asset sold by the Company from related parties during the year and outstanding balance thereof

for the year ended 31st March 2021		31st March 2021	for the year ended 31st March 2020		31st March 2020
Fixed assets sold	Fixed Assets Purchased	Capital Creditors	Fixed assets sold	Fixed Assets Purchased	Capital Creditors
-	-	1	7	1	1

Balance recoverable as at the year end from various subsidiaries

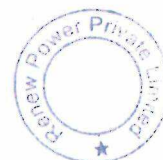
31st March 2021		31st March 2020	
Trade Receivable	Recoverable from Related Parties	Trade Receivable	Recoverable from Related Parties
5,085	2,277	3,552	1,581

Rendering of management shared services, reimbursement of expenses and expenses incurred on behalf of various jointly controlled entities by the Company:-

for the year ended 31st March 2021			for the year ended 31st March 2020		
Expenses on Behalf	Management Shared Services	Reimbursement Of Expenses	Expenses on Behalf	Management Shared Services	Reimbursement Of Expenses
-	-	8	0	-	-

Balance recoverable as at the year end from various jointly controlled entities

31st March 2021		31st March 2020	
Trade Receivable	Recoverable from Related Parties	Trade Receivable	Recoverable from Related Parties
-	-	-	3



c. Investment made in subsidiaries

Particulars	for the year ended 31st March 2021	for the year ended 31st March 2020
Investment in Equity Shares	16,889	5,534
Deemed Investment- Share based Payment	13	-
Investment in Optionally Convertible Redeemable Preference Shares	603	5,846
Investment in Redeemable Preference Shares	770	-
Total	18,275	11,380

	for the year ended 31st March 2021	for the year ended 31st March 2020
Sale of Investment of redeemable non-cumulative preference shares in ReNew Power Services Private Limited:	-	450

	for the year ended 31st March 2021	for the year ended 31st March 2020
Sale of Investment in subsidiaries	8	-

	31st March 2021	31st March 2020
Advance received for sale of redeemable non-cumulative preference shares and outstanding as at the year ended:	100	1,100

	31st March 2021	31st March 2020
Advance paid for purchase of redeemable non-cumulative preference shares and outstanding as at the year ended:	5,702	668

d. Share Application money paid to, refunded by subsidiaries during the year and outstanding balance thereof:-

	for the year ended 31st March 2021	for the year ended 31st March 2020
Share Application money paid to subsidiaries during the year	10,997	10,414

	for the year ended 31st March 2021	for the year ended 31st March 2020
Share Application money refunded by subsidiaries during the year	5,655	763

	31st March 2021	31st March 2020
Share Application Money Pending Allotment	5	-

e. Loans Taken & Repayment thereof and balances outstanding to various subsidiaries

for the year ended 31st March 2021			31st March 2021	
Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
42,346	28,436	5,236	67,411	6,989

Loans Taken & Repayment thereof and balances outstanding to various jointly controlled entities

for the year ended 31st March 2021			31st March 2021	
Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
647	14	18	-	-

Loans Taken & Repayment thereof and balances outstanding to various subsidiaries

for the year ended 31st March 2020			31st March 2020	
Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
41,526	16,111	3,230	52,678	2,805

Loans Taken & Repayment thereof and balances outstanding to various jointly controlled entities

for the year ended 31st March 2020			31st March 2020	
Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
43	30	15	190	15

f. Loans given & repayment thereof and balances outstanding

for the year ended 31st March 2021			31st March 2021	
Loan given	Repayment received	Interest income	Loan outstanding	Accrued interest
68,955	82,539	5,248	66,375	10,861

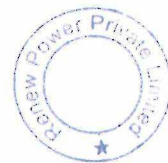
Loans given & repayment thereof and balances outstanding

for the year ended 31st March 2020			31st March 2020	
Loan given	Repayment received	Interest income	Loan outstanding	Accrued interest
88,506	49,421	4,494	79,959	7,076

g. Transactions and balances with Enterprises owned are significantly influenced by key management personnel or their relatives

31 March 2021		31 March 2020	
Interest income	Loan outstanding	Interest income	Loan outstanding
1,551	17,779	1,395	14,582

(i) Transactions and balances with subsidiaries on interest on loan (redeemable non cumulative preference shares)



(ii) Remuneration to key managerial personnel (KMP) and relatives of KMPs:

	for the year ended 31st March 2021	for the year ended 31st March 2020
Mr. Sumant Sinha	191	215
Mr. Ravi Sethi	-	21
Mr. D Muthukumaran	100	88
Mr. Ashish Jain	7	7
Mr. Parag Sharma	-	17
Mr. Balram Melita	-	30
Mr. Ravi Parmeshwar	-	17
Mrs. Vaishali Nigam Sinha	20	18
	318	413

Above remuneration includes short term employment benefits of INR 153 (31 March 2020: INR 219), share based payment of INR 152 (31 March 2020: INR 179) and gratuity and leave encashment expense of INR 13 (31 March 2020: INR 15).

(iii) Other transactions and outstanding balances during the year end

Transactions during the year end	Mr. D Muthukumaran	
	31 March 2021	31 March 2020
Salary advance	11	-

Balances as at year end	Mr. D Muthukumaran	
	31 March 2021	31 March 2020
Salary advance	11	-

h. The Company's credit facilities have been used by its subsidiaries for the purpose of issuing bank guarantees/letter of credits.

i. The Company has pledged the certain securities held in subsidiary companies with Banks and Financial institutions as security for financial facilities obtained by subsidiary companies.

j. Contribution for CSR activities made to ReNew Foundation during the year ended at:

	for the year ended 31st March 2021	for the year ended 31st March 2020
	0	3

k. The Company has given corporate guarantee against loan taken by various subsidiaries. The details are as follows.

	31 March 2021	31 March 2020
	173.695	152.371

l. Financial guarantees

During the year ended 31 March 2021, the Company has provided financial guarantee on the loans obtained by the shareholder, Wisemore Advisory Private Limited amounting to INR 4,900, being the maximum exposure, towards non-convertible debentures for a 7-month period. In the event of default, the Company will have to repay the non-convertible debentures. The Company has not received any consideration for guarantee given. The Company has initially measured financial guarantee at fair value amounting INR 121 with corresponding amount recognised in equity as distributions to equity shareholder. According to Company's policy amortisation is calculated on straight-line basis until maturity of the contract. Amortisation of INR 43 has been recognised under other income in the statement of profit or loss. The carrying amounts of the related financial guarantee contracts recognised in the financial statements is INR 78 as at 31 March 2021. The amount of loss allowance is lower than the fair value of financial guarantee initially recognised less cumulative amortisation, therefore no loss allowance was recognised in profit or loss for the financial guarantee contract. There were no financial guarantees given by Company in the previous year.

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36 Share based payment

a) Equity settled share-based payment transactions

The Company 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 (new plan)	2018 Stock Option Plan	2017 Stock Option Plan	2016 Stock Option Plan	2014 Stock Option Plan	2011 Stock Option Plan
Grant date	16 August 2019					
Vesting period	Time linked vesting: Grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options	Time linked vesting: 50% of grants will vest in 5 years as follows: i) One year from the date of grant, the Options for the first four quarters shall vest immediately. ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options. Remaining 50% will vest at the end of 5 years from the date of grant.	Time linked vesting: 50% of grants will vest in 5 years as follows: i) One year from the date of grant, the Options for the first four quarters shall vest immediately. ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options. Remaining 50% will vest at the end of 5 years from the date of grant.	Time linked vesting: 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.	Time linked vesting: 5 years on quarterly basis which shall commence one year after the date of grant of option	Time linked vesting: 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 400, INR 415 and INR 420	INR 340	INR 205	INR 100 and 131	INR 100
Expiry date	16 August 2029	24 April 2028 to 31 December 2030	10 April 2027 to 25 February 2028	30 September 2026	31 December 2022 to 01 January 2025	30 September 2021 to 31 December 2022
Settlement type	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled



ReNew Power Private Limited (formerly known as ReNew Power Limited)
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(Amounts in INR millions, unless otherwise stated)

Number of options outstanding as at (in million):

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
31 March 2020	1	1	10	2	3	1
31 March 2021	1	1	9	1	2	1

The movement of options outstanding under the share-based payment schemes are summarised below:

Particulars	Number of options (in million)	
	31 March 2021	31 March 2020
Outstanding at the beginning of the year	18	19
Granted during the year	1	1
Forfeited during the year	(0)	(2)
Repurchase during the year	(3)	-
Exercised during the year	-	-
Outstanding at the end of the year	16	18
Exercisable at the end of the year	8	9

- The weighted average exercise price of these options outstanding was INR 303 for the year ended 31 March 2021 (31 March 2020: INR 280).
- The weighted average exercise price of these options granted during the year was INR 404 for the year ended 31 March 2021 (31 March 2020: INR 400).
- There were no options exercised during the years ended 31 March 2021 and 2020.
- The weighted average exercise price of these options forfeited during the year was INR 395 for the year ended 31 March 2021 (31 March 2020: INR 189).
- The weighted average exercise price of these options repurchased during the year was INR 157 for the year ended 31 March 2021 (No options were repurchased during the years ended 31 March 2020).
- The weighted average exercise price of exercisable options was INR 250 for the year ended 31 March 2021 (31 March 2020: INR 206).
- The weighted average remaining contractual life of options outstanding as at 31 March 2021 was 5.75 years (31 March 2020: 6.30 years).

The following tables list the inputs to the models used for the years ended 31 March 2021 and 2020, respectively:

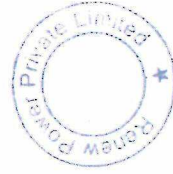
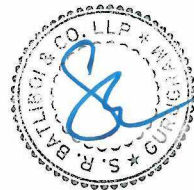
Particulars	For the year ended	
	31 March 2021	31 March 2020
Dividend yield (%)	3.4%	2.9%
Expected volatility (%)	22%	23%
Risk-free interest rate (%)	4.16% - 5.92%	6.53%
Weighted average remaining contractual life of options granted during current period	9.44 years	9.37 years
Weighted average share price (in INR)	471	415
Weighted average fair value (in INR)	133.01	110.43

- The fair value of share options granted is estimated at the date of grant using Black-Scholes valuation model, taking into account the terms and conditions upon which the share options were granted.
- The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

b) Repurchase of vested stock options

During the year ended 31 March 2021, the Company undertook a one-time partial liquidity scheme for outstanding ESOPs, wherein, maximum 40% options vested as on 31 July 2020 out of options granted up to 31 March 2018 were eligible for surrender for INR 420 per option. The total number of options opted by employees for surrender were 2,592,557 options. Settlement has been done by the Company in the form of ex-gratia payment equal to value accreted against the surrendered options subject to and net of applicable tax deduction at source. All applicable taxes are to be borne by the employee. Surrendered options are subject to value adjustment in case any of its holding company issues primary securities or on signing of any definitive agreements before 31 July 2021 at higher / lower than INR 420 per share (adjusted for capital restructurings, consolidations, split etc.). Actual adjustments for upside or downside will be settled post completion of the deal. Upsides shall accrue to an employee only if they continue in employment as of 31 July 2021. Employee shall be liable for downside value adjustment even if he or she ceased employment if no deal is completed by 31 October 2021, the deal will be disregarded for adjustments. The details of repurchase of vested stock options are as follows:

Particulars	Amount
Total consideration paid for repurchase of vested stock options (a)	653
Fair value of the vested stock options repurchased, measured at the repurchase date, recognised in equity* (b)	625
Excess consideration paid recognised in statement of profit or loss (a) - (b)	28



ReNew Power Private Limited (formerly known as ReNew Power Limited)
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* The fair value of vested stock options was estimated at the date of repurchase using Black-Scholes valuation model, taking into account the terms and conditions upon which the share options were granted using following inputs as at 31 July 2021.

Particulars	31 March 2021
Share price per share at measurement date	420
Expected volatility	22%
Dividend yield	3.40%
Risk-free interest rate	4.16% - 5.92%

c) Cash settled share based payments arising out of a one-time partial liquidity scheme (refer note b above)

The carrying amount of the liability (included in employee benefit liabilities) relating to the cash settled share based payments at 31 March 2021 was INR 96 (31 March 2020: INR Nil). No cash settled share based payments had vested or forfeited at 31 March 2021 and 2020, respectively. Outstanding cash settled options as at 31 March 2021 are 2,444,217. None of the cash settled options are exercisable as at 31 March 2021.

The fair value of the cash settled share based payments was determined using the Black-Scholes model using the following inputs as at 31 March 2021:

Particulars	31 March 2021
Share price per share at measurement date	420
Expected volatility	22%
Dividend yield	3.40%
Risk-free interest rate	4.16% - 5.92%

* The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

d) Expenses arising from share-based payment transactions

The expense recognised for employee services received during the year is shown in the following table:

Particulars	For the year ended	
	31 March 2021	31 March 2020
Expense arising from equity-settled share-based payment transactions	179	206
Expense arising from repurchases vested stock options	28	-
Expense arising from cash settled share based payments transactions	96	-
Total expense arising from share-based payment transactions*	303	206

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



ReNew Power Private Limited (formerly known as ReNew Power Limited)**Notes to Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

37 Segment Information

The Chairman and Managing Director of ReNew Power Private Limited takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.

The Company is in the business of development and operation of wind and solar power plant. Considering the nature of Company's business and operation, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

The Revenues from four major customers amounts to INR 3,469 (31 March 2020: INR 3,848) each of which contributes more than 10% of the total revenue of the Company.

38 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 are 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
- 9) Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund

A CSR committee has been formed by the 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 Company during the year is INR Nil (31 March 2020: INR 8).

(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	-	3	3
Total	-	3	3
Previous year*			
Construction / Acquisition of any asset	-	-	-
Other activities	10	1	11
Total	10	1	11

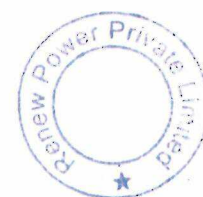
* The amount yet to be paid in previous year has been subsequently paid in current year.

c. Details related to spent / unspent obligations:

Particulars	31 March 2021	31 March 2020
i) Contribution to Prime Minister Care Fund*	-	-
ii) Contribution to other than ongoing projects	-	-
ii) Unspent amount	3	1
Total	3	1

d. Disclosure for excess amount spent during the year as required by Section135(5) of Companies Act:

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	3	3



39 Hedging activities and derivatives

Derivatives designated as hedging instruments

The Company uses certain types of derivative financial instruments (viz. Forwards Contracts, Swaps, Call Options, Call Spreads) to manage/mitigate their exposure to foreign exchange and interest risk. Further, the entity 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 periods 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. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:-

-Notes (included in Long-term borrowings)

Pay fixed INR and receive USD and pay fixed interest in INR at 6.34% to 7.18% p.a. and receive a fixed interest in USD at 5.88% to 6.45% on the notional amount.

The cash flow hedges through COS of USD 750,000,000 (31 March 2020: USD 750,000,000), Call Option of USD 750,000,000 (31 March 2020: USD 750,000,000) and forwards of USD 2,902,500 (31 March 2020: USD 2,902,500) outstanding at the year ended 31 March 2021 were assessed to be highly effective and cumulative impact of mark to market gain and restatement of hedged item is INR 1612 (31 March 2020: 168) with a deferred tax asset of INR 501 (31 March 2020: deferred tax liability of INR 1015), is included in OCI.

- All of the cash flow hedges were fully effective during the years ended 31 March 2021 and 2020.

- All of the underlying foreign currency and floating interest rate exposure is fully hedged with cash flow hedges as at 31 March 2021 and 2020.

The expiry dates of cash flow hedge deals range between 29 July 2022 to 02 February 2026.

Foreign currency and Interest rate risk

Cross currency interest rate swaps measured at fair value through OCI are designated as hedging instruments in cash flow hedges of interest and principal payments in USD.

	31 March 2021		31 March 2020	
	Assets	Liabilities	Assets	Liabilities
Cross currency interest rate swaps designated as hedging instruments	747	-	3,254	-

Hedge reserve movement

a) Cash flow hedge reserve

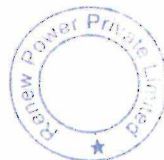
	For the year ended	
	31 March 2021	31 March 2020
Opening balance	(300)	-
Gain / (loss) recognised on cash flow hedges	(1,890)	963
(Gain) / loss reclassified to profit or loss (under head finance costs)	(5)	-
Income tax relating on cash flow hedges	590	(1,263)
Closing balance	(1,605)	(300)

b) Cost of hedge reserve on cash flow hedges

Opening balance	(547)	-
Effective portion of changes in fair value	(414)	(1,009)
Amount reclassified to profit or loss as option premium amortisation (under head finance costs)	683	214
Amount transferred to property, plant and equipment	14	-
Tax effect	(88)	248
Closing balance	(352)	(547)

Total Hedge reserve movement (a+b)

Opening balance	(847)	-
OCI for the year	(1,111)	(847)
Closing balance	(1,958)	(847)



40 Fair values

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

	31 March 2021		31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Investments, unquoted debt securities	15,363	15,363	72,521	72,521
Loans - non current	22,316	22,316	20,655	20,655
Share application money pending allotment	5	5	-	-
Trade receivables	6,666	6,666	4,615	4,615
Cash and cash equivalent	7,511	7,511	2,916	2,916
Bank balances other than cash and cash equivalent	7,446	7,446	13,920	13,920
Bank deposits with remaining maturity for more than twelve months	1,020	1,020	79	79
Loans - current	61,939	61,939	73,960	73,960
Other current financial assets	19,215	19,215	9,840	9,840
Measured at FVOCI				
Derivative instruments	747	747	3,254	3,254
Financial liabilities				
Financial guarantee contracts				
Financial guarantee contracts	78	78	-	-
Measured at amortised cost				
Non Convertible Debentures (secured) (NCDs)	8,924	9,025	11,471	11,471
Term loan from bank (secured)	1,308	1,274	5,047	5,047
Term loan from financial institutions (secured)	-	-	2,969	2,969
Listed senior secured notes	54,683	57,851	56,037	56,037
Liability component of compulsorily convertible preference shares	26,697	26,697	23,200	23,200
Short-term borrowings	80,411	80,411	55,027	55,027
Trade payables	797	797	1,105	1,105
Other current financial liabilities	9,111	9,111	6,303	6,303
Lease liabilities	225	225	192	192

The management of the Company assessed that cash and cash equivalent, bank balance other than cash and cash equivalent, loans-current, share application money pending allotment, other current financial assets, trade receivables, trade payables, financial guarantee contracts, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The financial assets above do not include investments in subsidiaries which are measured at cost in accordance with Ind AS 101, Ind AS 27 and Ind AS 28.

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

- The fair values of the Company's non convertible debentures, term loans from banks, term loans from financial institutions and listed senior secured notes 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 2021 was assessed to be insignificant.
- The fair values of the liability component of compulsory convertible preference shares is 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 2021 was assessed to be insignificant.
- The fair values of the Company's investments, security deposits, loans (non current) and bank deposits with remaining maturity for more than twelve months are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the lending rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.
- The Company enters 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.

41 Fair value hierarchy

The Company 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:

- 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.

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

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

Financial assets	Level of fair value measurement	31 March 2021		31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
Measured at FVTOCI					
Derivative instruments	Level 2	747	747	3,254	3,254
Measured at amortised cost					
Investments, unquoted debt securities	Level 3	15,363	15,363	72,521	72,521
Security deposits	Level 3	75	75	69	69
Loan to subsidiaries	Level 3	4,462	4,462	6,004	6,004
Loan to subsidiaries - redeemable non cumulative preference shares	Level 3	17,779	17,779	14,582	14,582
Bank deposits with remaining maturity for more than twelve months	Level 3	1,020	1,020	79	79



Financial liabilities	Level of fair value measurement	31 March 2021		31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
Financial guarantee contracts	Level 3	78	78	-	-
Measured at amortised cost					
Non Convertible Debentures (secured) (NCDs)	Level 3	8,924	9,025	11,471	11,471
Term loan from bank (secured)	Level 3	1,308	1,274	5,047	5,047
Term loan from financial institutions (secured)	Level 3	-	-	2,969	2,969
Listed senior secured notes	Level 3	54,683	57,851	56,037	56,037
Liability component of compulsorily convertible preference shares	Level 3	26,697	26,697	23,200	23,200

There were no transfers between levels of fair value measurement during the years ended 31 March 2021 and 31 March 2020.

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Measured at amortised cost			
Security deposits	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries - redeemable non cumulative preference shares	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Loan to subsidiaries	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Investments, unquoted debt securities	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bank deposits with remaining maturity for more than twelve months	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial assets measured at FVTOCI			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Measured at amortised cost			
Non Convertible Debentures (secured) (NCDs)	Level 3	Discounted cash flow	Fixed interest rates in the market, Future cash flows
Acceptances (unsecured)	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan from bank (secured)	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Term loan from financial institutions (secured)	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Listed senior secured notes	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Liability component of compulsorily convertible preference shares	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial guarantee contracts	Level 3	Discounted cash flow	Prevailing interest rates in market, future cash flows

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42 Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables.

The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company'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 risk, which are summarised as below:

a) Market Risk

Market risk is the risk that the Company's assets and liabilities will be exposed to due to a change in market prices that determine the valuation of these financial instruments. Market risk comprises 3 types of risk: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits..

The sensitivity analyses in the following sections relate to the position as at 31 March 2021. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt are all constant as at 31 March 2021.

(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 Company is exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. The Company 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 of borrowings in INR. With all other variables held constant, the Company's profit before tax is affected through the impact on loans and borrowings, as follows:

	31 March 2021		31 March 2020	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+/(-)50	(-)/+ 29	+/(-)50	(-)/+ 86

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

b) 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 Company is exposed to credit risk from their operating activities (primarily trade receivables) but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

Further the Company 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 2021 and 31 March 2020 is the carrying amount of all the financial assets.

(i) Trade Receivables

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

The credit quality of the customers is evaluated based on their credit ratings and other publicly available data.



ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

As at 31 March 2021	0 - 6 months	6 -12 months	12 -18 months	> 18 months	Total
Gross carrying amount	6,114	556	-	0	6,670
Expected credit loss	2	2	-	0	4

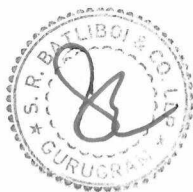
(ii) Financial instruments and credit risk

Credit risk from balances with banks is managed by company's treasury department. Investments, in the form of fixed deposits, loans and other investments, of surplus funds are made only with banks & group companies and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed on an annual basis by the Company, and may be updated throughout the year subject to approval of company'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.

(iii) Other financial assets

Credit risk from other financial assets including loans is managed basis established policies of Company, procedures and controls relating to customer credit risk management. Outstanding receivables are regularly monitored. The Company does not hold collateral as security.

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ReNew Power Private Limited (formerly known as ReNew Power Limited)

Notes to Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

(c) Liquidity Risk

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

The Company 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 Company'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 Company based on contractual undiscounted payments:

Year ended 31 March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than preference shares) #						
Non convertible debentures*	-	-	-	10,331	-	10,331
Listed senior secured notes*	-	-	-	42,059	21,242	63,301
Short term borrowings						
Loans from related party	67,411	-	-	-	-	67,411
Working capital demand loans	-	-	4,000	-	-	4,000
Non convertible debentures	-	-	9,000	-	-	9,000
Lease liabilities						
	-	34	93	119	11	257
Other financial liabilities						
Current maturities of long term borrowings*	-	183	5,596	-	-	5,779
Interest accrued but not due on borrowings	6,989	-	429	-	-	7,419
Interest accrued but not due on debentures	-	-	246	-	-	246
Purchase consideration payable	304	-	-	-	-	304
Financial guarantee contracts@	4,900	-	-	-	-	4,900
Mark to market derivative instruments	-	747	-	-	-	747
Capital Creditors	-	963	-	-	-	963
Trade payables						
Trade payables	162	635	-	-	-	798

* Including future interest payments.

Year ended 31 March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from banks*	-	-	-	1,382	-	1,382
Loans from financial institutions*	-	-	-	3,124	-	3,124
Non convertible debentures*	-	-	-	5,086	3,311	8,397
Listed senior secured notes*	-	-	-	45,324	23,088	68,412
Short term borrowings						
Loans from related party	52,868	-	-	-	-	52,868
Acceptances	-	-	159	-	-	159
Working capital demand loans	-	2,000	-	-	-	2,000
Lease liabilities						
	-	35	92	231	7	365
Other financial liabilities						
Current maturities of long term borrowings*	-	434	13,515	-	-	13,949
Interest accrued but not due on borrowings	2,823	49	433	-	-	3,305
Interest accrued but not due on debentures	-	62	129	-	-	191
Purchase consideration payable	304	-	-	-	-	304
Mark to market derivative instruments						
	-	3,254	-	-	-	3,254
Capital Creditors	1	1,344	-	-	-	1,345
Trade payables						
Trade payables	100	1,005	-	-	-	1,105

* Including future interest payments.

The Company has issued Compulsorily convertible preference shares, which are mandatorily convertible into equity shares. Therefore there is no outflow involved. Therefore these CCPS are excluded from maturity profile of financial liabilities.

@ Based on the maximum amount that can be called for under the financial guarantee contracts.

The Company 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, Company 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. Company basis its assessment is confident of generating adequate inflows for meeting its liabilities maturing over next 12 months.



43 Significant accounting judgments, estimates and assumptions

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

In the process of applying the accounting policies management has made certain judgements, estimates and assumptions. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. 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 Company 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, accelerated depreciation, other applicable allowances, 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, Company is depreciating the assets bases on life as determined by an expert.

During the year ended 31 March 2021, as a part of its annual exercise of review of estimates, the Company conducted an operational efficiency review of its wind power power plants, classified under category plant and equipment (Refer note 3.1(j) and note 4). The Company has engaged an external expert for the review of useful life and salvage value. Basis the study and technical advice by external expert, with effect from 1 October 2020, the expected useful life of wind power plants has been revised from 25 years to 30 years and residual value at the end of useful life has been revised from Nil to 5% for wind power plants. As a result, depreciation expenses recognized in Statement of Profit and Loss is decreased.

Along with exercise carried for assessment of useful life of plant and equipment, the Company evaluated its costs of dismantling and removing the item of property, plant and equipment and restoring the site on which it is located ("decommissioning liability") for its wind power plants. Though, there are no contractual obligation, the Company has considered a constructive obligation, being a green energy company with its commitment towards environment and provided for decommissioning liability expected to be incurred at the end of respective useful life of plants. Therefore, the Company has capitalized an estimate of decommissioning costs in property, plant and equipment with corresponding recognition of provision for decommissioning liability. The Property, plant and equipment so recognized are depreciated over the remaining life of the project. The decommissioning liability so recognized is unwinded as finance costs. Consequent to this, as at 1 October 2020, there is an increase by INR 1,647 in property, plant and equipment (included in additions during the year under Plant and equipment) with a corresponding increase in provision for decommissioning costs (Refer note 19). As a result, depreciation expenses and finance costs recognized in Statement of Profit and Loss have increased.

The above changes resulted in temporary differences and accordingly the Company has recognised the tax effects of such differences as per Company accounting policies included in Note 3.1 (e).

The effect of above changes, on actual and expected depreciation expense, finance cost and deferred tax, was as follows.

Particulars	For the year ended					
	Actual effect in the current period	Expected amount of the effect in future periods *				
	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26
Decrease in depreciation expense	(106)	(208)	(208)	(208)	(208)	(208)
Increase in finance costs	42	103	104	110	117	124
Increase in Deferred tax expense	20	33	33	31	29	26

* Expected amount of the effect in future periods on depreciation, finance cost and deferred tax expenses is computed without considering any changes for expected capitalization, changes in estimate of decommission costs, tax rates, etc.

Identification of a lease

Management has assessed applicability of Ind AS 116 - 'Leases', for certain PPAs of the Company. In assessing the applicability, the management has exercised significant judgement in relation to the underlying rights and risks related to operations of the plant, control over design of the plant etc., in concluding that the PPA do not meet the criteria for recognition as a lease.



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 40 and 41 for further disclosures.

Useful life of depreciable assets

The useful lives and residual values of Company's assets are determined by management at the time asset is acquired and are reviewed periodically, including at each financial year end. The useful lives and residual values are based on an technical assessments, historical experience with similar assets as well as anticipation of future events, which may impact their life. These judgements best represents the period over which management expects to use its assets and its residual value.

Provision for decommissioning

Upon the expiration of the life of the wind and solar power plants, the Company considers a constructive obligation to remove the wind and solar power plant and restore the land. The Company records the fair value of the liability for the obligation to retire the asset in the period in which the obligation is incurred, which is generally when the asset is constructed. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to decommission the power projects from the site and the expected timing of those costs. Refer note 19 for further disclosures.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating etc.).

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the company's trade receivables is disclosed in note 13.

Related party transactions

ReNew Power Private Limited along with all its subsidiaries hereinafter collectively referred to as 'the Group' have entered into inter-company transactions as explained below :

Management Shared Services

Employee benefit costs and other common expenses are incurred by the Company. 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.

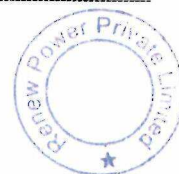
Financial instrument

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

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.

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44 Capital management

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

The Company 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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings and other payables, less cash and short-term deposits.

The Company systematically evaluates opportunities for managing its assets including that of buying new assets, partially or entirely sell existing assets & potential new joint ventures. Crystallization of any such opportunity shall help the Company in improving the overall portfolio of assets, cash flow management and shareholder returns.

The policy of the Company 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 Company, 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 years ended 31 March 2021 and 31 March 2020.

45 Commitments Liabilities and Contingencies (to the extent not provided for)

(i) Contingent liabilities

- a) The Company has contingent liability of INR 92 on account of liquidated damages for delay in commissioning of wind power projects. The management believes that any amount of liquidated damages to be levied by customer shall be entirely reimbursable from capital vendors of respective projects as per the terms of the agreement (31 March 2020: 73).
- b) There is an additional disallowance/addition to returned income for INR 440 of the Company under section 37 of the Income Tax Act, 1961 for share based payment expenses. The management believes that any unfavourable judgement will not have any impact as this will be eligible for set off against unabsorbed losses / depreciation. Accordingly, no amount has been provided in financial statements as at 31 March 2021 and 2020. Also, since no deferred tax asset has been created on unabsorbed losses and depreciation, therefore, there will be no impact on the statement of profit and loss in case of unfavourable outcome.

(ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for

At 31 March 2021, the Company has capital commitment (net of advances) pertaining to commissioning of wind energy projects of INR Nil (31 March 2020: INR 1,290).

(iii) Guarantees

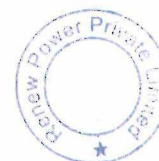
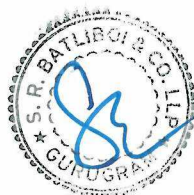
The Company has obtained guarantees from financial institutions as a part of the bidding process for establishing renewable projects. Further, the Company issues irrevocable performance bank guarantees in relation to its obligation towards construction and transmission infrastructure of renewable power projects plants as required by the PPA and such outstanding guarantees are INR 280 as at 31 March 2021 (31 March 2020: INR 307).

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

46 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 2021	As at 31 March 2020
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	1	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil



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

In earlier years, a petition in public interest (the "Writ Petition") was filed before the Supreme Court of India to seek directions to save two protected species of birds in the state of Rajasthan and Gujarat (the 'Birds') stating that these Birds collide with overhead transmission lines and suffer injuries or die. Subsequent to the year end, on 19 April 2021, the Supreme Court has ordered (the "Order") for all existing and future powerlines to be undergrounded, subject to feasibility in case of high-tension power lines. As at 31 March 2021, the Company has a total of 329.1 MW of operational power projects in the area impacted by the Order.

The Company along with other companies in the industry affected by the Order are in the process of evaluating its legality and are contemplating filing an application to challenge or seek appropriate directions, clarifications of the Order. Further, management, basis legal opinion obtained by it believes that the additional cost that will be incurred by the Company shall be recovered from customers under respective PPAs through provisions relating to change in law and force majeure and hence no financial implication is likely to devolve on the Company. Also, under the current circumstances, owing to COVID – 19 related lockdowns, it is impracticable to assess the same on the ground or to get the feasibility studies carried out.

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

48 Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Company believes the impact of the change will not be significant.

49 Impact of COVID-19

Due to outbreak of COVID-19 in India and globally, the Company has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. Considering that the Company is in the business of generation of electricity which is an essential service as emphasised by the Ministry of Home Affairs and Ministry of Power, Government of India and which is granted "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 Company is not significant.

Further, MNRE directed that the payment to Renewable Energy power generator shall be done on regular basis as being done prior to lockdown and the Company has generally received regular collection from its customer(s). The management does not see any risks in the Company's ability to continue as a going concern and has been able to service all debts obligations during the year. The Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimise the impact of the unprecedented situation.

50 Plan for initial public offering

The Company is in the process of listing on NASDAQ through special purpose acquisition company route. The Company entered into a Business Combination Agreement (the "BCA") dated February 24, 2021 and amended on May 17, 2021 with (i) RMG Acquisition Corporation II, a Cayman Islands exempted company ("RMG II"), (ii) Philip Kassin, solely in the capacity as the representative for the shareholders of RMG II, (iii) ReNew Energy Global plc, a public limited company registered in England and Wales with registered number 13220321, (iv) ReNew Power Global Merger Sub, a Cayman Islands exempted company and (v) certain shareholders of the Company. Requisite filings with the Securities and Exchange Commission (the "SEC") have been made through form F-4 on May 5, 2021 which has been subsequently amended on June 22, 2021, June 25, 2021, July 14, 2021 and July 22, 2021. RMG II's definitive proxy statement ("Proxy Statement") relating to the BCA with the Company, has been filed with the SEC on July 28, 2021. RMG II has scheduled the Extraordinary General Meeting ("EGM") of its shareholders to approve the BCA on August 16, 2021. The Company expects that once the BCA is approved by the shareholders of RMG II at the EGM, the business combination will close and the trading of the combined entity will commence on Nasdaq shortly thereafter. Considering that the approval by shareholders of RMG II is pending, no accounting adjustments or disclosures have been made in these financial statements with regards to the business combination or any other terms of the BCA.

51 Subsequent events

The Company has evaluated subsequent events through 29 July 2021, which is the date when the financial statements were authorised for issuance.

52 Absolute amounts less than INR 500,000 are appearing in the financial statements as "0" due to presentation in millions.

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 29 July 2021



For and on behalf of the Board of Directors of
ReNew Power Private Limited

(Sumant Sinha)
Chairman and Managing Director
DIN- 00972012
Place: Gurugram
Date: 29 July 2021

(D Muthukumaran)
Chief Financial Officer
Place: Gurugram
Date: 29 July 2021

(Ashish Jain)
Company Secretary
Membership No.: F6508
Place: Gurugram
Date: 29 July 2021

