S.R. BATLIBOI & CO. LLP
Chartered Accountants

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Report on Special Purpose Indian Accounting Standards (Ind AS) Combined Financial Statements of Restricted Group

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

We have audited the accompanying Special Purpose Ind AS Combined Financial Statements of Restricted Group (consisting of subsidiaries of RPVPL as listed in note 1 of these financial statements, collectively known as the "Restricted Group"), which comprise the combined Balance Sheet as at 31 March 2017, the combined Statements of Profit and Loss including the Combined Statement of Other Comprehensive Income, the combined Statement of Cash Flows and the combined Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Ind AS Combined Financial Statements"). These Special Purpose Ind AS Combined Financial Statements have been prepared in accordance with the basis of preparation as set out in note 3.1 to the Combined Financial Statements.

Management's Responsibility for the Special Purpose Ind AS combined Financial Statements

Management of RPVPL is responsible for the preparation of these Special Purpose Ind AS Combined Financial Statements in accordance with the basis of preparation as set out in note 3.1 to the Special Purpose Ind AS Combined Financial Statements. This includes the design, implementation and maintenance of internal control relevant to the preparation of the Special Purpose Ind AS Combined Financial Statements that are free from material misstatement whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Special Purpose Ind AS Combined Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Special Purpose Ind AS Combined Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Special Purpose Ind AS Combined Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Special Purpose Ind AS Combined Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the management's preparation of the Special Purpose Ind AS Combined Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Special Purpose Ind AS Combined Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these Special Purpose Ind AS Combined Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Ind AS Combined Financial Statements give a true and fair view in conformity with the basis of preparation described in Note 3.1 to those Special Purpose Ind AS Combined Financial Statements of the state

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of affairs of the Restricted Group as at 31 March 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We also draw attention to Note 3.1 to the accompanying Special Purpose Ind AS Combined Financial Statements, which describes that the Restricted Group has not formed a separate legal group of entities during the period ended 31 March 2017, which also describes the basis of preparation, including the approach to and the purpose for preparing them. Consequently, the Restricted Group's Special Purpose Ind AS Combined Financial Statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone group of entities during the periods presented.

Our opinion is not qualified in respect of this matters.

Other Matter

These Special Purpose Ind AS Combined Financial Statements is required by the Company for submission to Neerg Energy Limited (the "Lender") as required by terms of Offering Memorandum dated 14 February 2017 and Indenture dated 17 February 2017. Accordingly, our report on these Special Purpose Ind AS Combined Financial Statements has been issued solely in connection with such requirement. As a result, the Special Purpose Ind AS Combined Financial Statements may not be suitable for another purpose.

Accordingly, this report should not be used, referred to or distributed for any other purpose without our prior written consent.

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

per Amit Chugh
Partner
Membership Number: 505224
Place of Signature: Gurugram
Date: 28/6/2017

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Restricted Group
Special Purpose Combined Balance Sheet as at 31 March 2017
(Amounts in INR million, except share and per share data, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Assets				
Non-current assets				
Property, plant and equipment	4	11,982	9,282	9,649
Capital work in progress	4	542	853	191
Intangible assets	5	18,388	10,521	1,051
Intangible assets under development	5	181	1,448	2,631
Financial assets				
Loans	6	0	1	1
Others	6	1	161	180
Deferred tax assets (net)	7A	141	179	122
Prepayments	8	14	7	12
Other non-current assets	9	346	2,828	1,354
Total non-current assets		**31,595**	**25,280**	**15,191**
Current assets				
Financial assets				
Trade receivables	10	1,624	939	220
Cash and cash equivalent	11	7,159	1,650	580
Bank balances other than cash and cash equivalent	11	291	1,179	724
Derivative instruments	6	-	86	-
Others	6	2,489	445	579
Prepayments	8	18	18	12
Other current assets	9	181	183	103
Total current assets		**11,762**	**4,500**	**2,218**
Total assets		**43,357**	**29,780**	**17,409**
Equity and liabilities				
Equity				
Equity share capital	12A	351	351	310
Other equity				
Equity component of preference shares	12B	1,928	1,262	711
Equity component of compulsory convertible debentures	12C	79	79	-
Share application money pending allotment	13.1	-	-	227
Share premium	13.2	5,508	5,163	3,995
Hedging reserve	13.3	-	(60)	(20)
Retained earnings	13.4	493	608	(63)
Total equity		**8,359**	**7,403**	**5,160**
Non-current liabilities				
Financial liabilities				
Long-term borrowings	14	31,689	16,244	9,469
Deferred tax liabilities (net)	7B	204	133	70
Other non-current liabilities	15	248	183	157
Total non-current liabilities		**32,141**	**16,560**	**9,696**
Current liabilities				
Financial liabilities				
Short-term borrowings	16	-	2,097	411
Trade payables	17	504	326	143
Derivative instruments	18	-	11	28
Others	19	2,265	3,344	1,922
Other current liabilities	20	83	39	49
Short term Provisions	21	5	-	0
Total current liabilities		**2,857**	**5,817**	**2,553**
Total liabilities		**34,998**	**22,377**	**12,249**
Total equity and liabilities		**43,357**	**29,780**	**17,409**

Summary of significant accounting policies 3.2
The accompanying notes are an integral part of the combined financial statements

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

S.R. BATLIBOI & CO. LLP GURGAON

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: 28/6/2017

For and on behalf of the Restricted Group

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 28/6/2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 28/6/2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 28/6/2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 28/6/2017

Restricted Group

Special Purpose Combined Statement of Profit and Loss for the year ended 31 March 2017

(Amounts in INR million, except share and per share data, unless otherwise stated)

	Notes	For the year ended 31 March 2017	For the year ended 31 March 2016
Income:			
Revenue from operations	22	11,472	11,059
Other income	23	423	256
Exceptional Items	35	-	519
Total Income		**11,895**	**11,834**
Expenses:			
Other expenses	24	7,844	8,870
Earning before interest, tax, depreciation and amortization (EBITDA)		**4,051**	**2,964**
Depreciation and amortization expense	25	1,215	760
Finance costs	26	2,919	1,413
Profit/(loss) before tax		**(83)**	**791**
Tax expense			
Current tax		63	95
Deferred tax expense/(income)		(56)	23
Earlier year tax		-	2
Profit/(loss) for the year	(a)	**(90)**	**671**
Other comprehensive income (OCI)			
Net movement on cash flow hedges		(96)	57
Income tax effect		27	(17)
Net other comprehensive (income) / loss for the year, net of taxes	(b)	**(69)**	**40**
Total comprehensive income / (loss) for the year	(a) - (b)	**(21)**	**631**

Summary of significant accounting policies 3.2

The accompanying notes are an integral part of the combined financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

per Amit Chugh

Partner

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Place: Gurugram

Date: 28/6/2017

S.R. BATLIBOI & CO LLP GURGAON

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Whole Time Director & CEO

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Date: 28/6/2017

Company Secretary

(Ashish Jain)

Membership No.: F6508

Place: Gurugram

Date: 28/6/2017

Restricted Group
Special Purpose Combined Statement of Changes in Equity for the year ended 31 March 2017
(Amounts in INR million, except share and per share data, unless otherwise stated)

Particulars	Attributable to the equity holders of the parent							Total Equity
					Reserves and Surplus		Items of OCI	
	Equity share capital	Equity Component of Preference Share	Equity Component of compulsorily convertible debentures	Share application money pending allotment	Share Premium	Retained Earnings	Hedging Reserve	
	(refer note 12A)	(refer note 12B)	(refer note 12C)	(refer note 13.1)	(refer note 13.2)	(refer note 13.4)	(refer note 13.3)	
At 1 April 2015	310	711	-	227	3,995	(63)	(20)	5,160
Profit for the year	-	-	-	-	-	671	-	671
Other comprehensive income/(loss)	-	-	-	-	-	-	(40)	(40)
Total Comprehensive Income/(Loss)	-	-	-	-	-	671	(40)	631
Equity shares issued during the year	41	-	-	(410)	369	-	-	-
Preference shares issued during the year	-	551	-	(1,423)	801	-	-	(71)
Amount utilized for issue of equity shares	-	-	-	-	(2)	-	-	(2)
Amount utilized for issue of preference shares	-	-	-	-	(0)	-	-	(0)
Share application money received	-	-	-	1,799	-	-	-	1,799
Share application money refunded	-	-	-	(76)	-	-	-	(76)
Share application money refundable at year end	-	-	-	(117)	-	-	-	(117)
Issue of compulsorily convertible debentures	-	-	79	-	-	-	-	79
At 31 March 2016	351	1,262	79	-	5,163	608	(60)	7,403
Loss for the year	-	-	-	-	-	(90)	-	(90)
Other comprehensive income	-	-	-	-	-	-	60	60
Total Comprehensive Income	-	-	-	-	-	(90)	60	(30)
Equity shares issued during the year	0	-	-	(2)	1	-	-	(1)
Preference shares issued during the year	-	666	-	(1,237)	344	-	-	(227)
Share application money received	-	-	-	1,239	-	-	-	1,239
Deferred tax liability on RNCPS	-	-	-	-	-	(25)	-	(25)
At 31 March 2017	351	1,928	79	-	5,508	493	-	8,359

The accompanying notes are an integral part of the combined financial statements

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

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
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Place: Gurugram
Date: 28/6/2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 28/6/2017

Restricted Group

Special Purpose Combined Statement of Cash Flows for the year ended 31 March 2017

(Amounts in INR million, except share and per share data, unless otherwise stated)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Profit/(loss) before tax	(83)	791
Adjustments for:		
Depreciation/amortisation	1,215	760
Profit on mark to market of ineffective hedging instrument	-	(0)
Ancillary borrowing cost	399	-
Interest income	(181)	(108)
Interest expenses	2,489	1,394
Operating profit/(loss) before working capital changes	**3,839**	**2,837**
Movement in working capital		
(Increase)/decrease in trade receivables	(686)	(719)
(Increase)/decrease in prepayments	(7)	(1)
(Increase)/decrease in other assets	68	(18)
(Increase)/decrease in other financial assets	(492)	460
Increase/(decrease) in trade payables	177	188
Increase/(decrease) in other financial liabilities	(0)	118
Increase/(decrease) in other current liabilities	108	9
Cash generated from operations	**3,007**	**2,874**
Direct taxes paid (net of refunds)	(137)	(136)
Net cash generated from operating activities	**2,870**	**2,738**
Cash flow from investing activities		
Purchase of fixed asset including CWIP and capital advances	(8,801)	(9,680)
(Investments in)/redemption of mark deposits having original maturity more than 3 months	1,049	(437)
Loan given to related parties	(8,600)	(715)
Loans repayment received from holding company	7,071	358
Interest received	159	94
Net cash used in investing activities	**(9,122)**	**(10,380)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium)	2	408
Proceeds from issue of preference shares (including premium)	1,125	1,196
Proceeds from issue of debentures	-	179
Shares application money received	-	76
Shares application money refunded	(117)	(76)
Proceeds from long-term borrowings	39,177	14,963
Repayment of long-term borrowings	(24,138)	(8,356)
Proceeds from short-term borrowings	10,513	2,866
Repayment of short-term borrowings	(12,610)	(1,180)
Interest paid	(2,191)	(1,364)
Net cash generated from financing activities	**11,761**	**8,712**
Net increase in cash and cash equivalents	**5,509**	**1,070**
Cash and cash equivalents at the beginning of the year	**1,650**	**580**
Cash and cash equivalents at the end of the year	**7,159**	**1,650**
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	1,570	995
- On deposit accounts with original maturity of less than 3 months	5,589	655
Total cash and cash equivalents (refer note 11)	**7,159**	**1,650**

Notes:

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

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: 28/6/2017

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Date: 28/6/2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 28/6/2017

1 General information

ReNew Power Ventures Private Limited (the 'Parent' or 'RPVPL') is a private limited company domiciled in India.
The Parent and its subsidiaries (hereinafter collectively referred to as the 'Group') are carrying out business activities relating to generation of electricity through non-conventional and renewable energy sources.

Certain subsidiary companies of the Parent which are collectively known as the 'Restricted Group' (as more clearly explained in the note below) issued Indian Rupee (INR) denominated Bonds to Neerg Energy Limited, Mauritius (the "Lender") to replace their existing debt.

The Restricted Group entities which are all under the common control of the Parent comprise of the following legal entities:

- ReNew Solar Energy (Karnataka) Private Limited
- ReNew Solar Energy (TN) Private Limited
- ReNew Wind Energy (Karnataka) Private Limited
- ReNew Wind Energy (MP Two) Private Limited
- ReNew Wind Energy (Rajkot) Private Limited
- ReNew Wind Energy (Shivpur) Private Limited
- ReNew Wind Energy (Welturi) Private Limited

The Combined Financial Statements were authorized for issue in accordance with a resolution of the directors on 28 June 2017.

2 Purpose of Special Purpose Combined Financial Statements

The Ind AS Combined financial statements are special purpose financial statements which have been prepared for submission to the Lender as required by terms of Offering Memorandum dated February 14, 2017 and Indenture dated February 17, 2017. These Special Purpose Combined financial statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows for the period presented. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined financial statements are set out in Note 3 below.

3 Significant Accounting Policies

3.1 Basis of preparation

The special purpose combined financial statements of the Restricted Group have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

Management of the RPVPL has prepared the special purpose Combined financial statements which comprise the Combined Balance Sheet as at 1 April 2015 (transition date balance sheet), as at 31 March 2016 and as at 31 March 2017, the Combined Statement of Profit and Loss, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2016 and for the year ended 31 March 2017 and a summary of the significant accounting policies and other explanatory information.
Management has prepared these Special Purpose Combined financial statements to depict the historical financial information of the Restricted Group except for the following assets and liabilities which have been measured at fair value:

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

The Special Purpose Combined financial statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements.

3.2 Summary of Significant Accounting Policies

(a) Use of estimates

The preparation of Special Purpose Combined Financial Statements is in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Current versus non-current classification

The Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

All other liabilities are classified as non-current.

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

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

c) Intangible Assets

Service Concession Arrangements

Appendix A (Service Concession Arrangements) of Ind AS 11- Construction Contracts, provides guidance on the accounting by operators for public-to-private service concession arrangements. Under this arrangement, Restricted Group shall construct, operate and maintain the project during the term of Public Private Arrangement (PPA) at its cost and risk including the interconnection facilities and the substation and shall sell all available capacity from identified wind farms to the extent of contracted capacity on first priority basis to its buyers and not to sell to any third party.

According to the guidance provided by Appendix A (Service Concession Arrangements) of Ind AS 11- Construction Contracts, the Restricted Group has derecognized the carrying amount of all capitalized costs of power plants from Property, Plant and Equipment and has recognized the 'Intangible Assets – Service Concession Arrangements' at fair value i.e. consideration transferred to acquire the asset.

The arrangements in consideration have bestowed a right upon the Restricted Group to charge for the power to be generated by the plant and therefore the consideration to be received for providing construction services is an intangible asset in the form of a license to charge the users of the facility.

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In cases where Service Concession Arrangements are accounted following guidance under Appendix A (Service Concession Arrangements) of Ind AS 11- Construction Contracts, right to use which the Restricted Group has been bestowed upon based on the term of Power Purchase Agreement [PPA] is greater than useful life. Restricted Group based on evaluation by an independent expert and also on account of confirmed revenue stream over the term of PPA, believes that it would be able to use these assets over such term with certain refurbishment expenses which cannot be currently ascertained. Restricted Group however believes that such cost will not be significant. Given the confirmed revenue stream, Restricted Group is confident of meeting such incremental costs, if they so do occur. The Restricted Group believes that it will continue to derive the economic benefits from the right to use over the PPA terms, therefore the useful life for right to use been considered as per the terms of the PPA.

Intangible Assets under the service concession arrangements are amortised over the life of the Power Purchase Agreement (PPA) i.e. generally 25 years.

d) Fair value measurement

The Restricted Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Restricted Group.

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

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

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Restricted Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy. (Refer Note 33 and 34).

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

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

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
- Disclosures for significant estimates and assumptions (Refer Note 41)
- Quantitative disclosures of fair value measurement hierarchy (Refer Note 34)
- Financial instruments (including those carried at amortised cost) (Refer Note 33 and 34)

e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Restricted Group and the revenue can be reliably measured, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:-

Construction Revenue from Service Concession Arrangements

Service Concession Arrangements are public-private agreements that have a tenure of 25 years including both the construction of wind and solar plants and future services associated with the operation and maintenance of these plants during the term of the PPA concession period. The main characteristics of these arrangement are detailed in Note 3 (c).

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Restricted Group's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the Restricted Group.

Sale of Power

Income from supply of wind power is recognized on the supply of units generated from the plant to the grid, as per the terms of the PPA entered into with the state electricity board/ private customers.

Income from Liquidated damages and interest on advances

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

Dividend

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

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 Restricted Group 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.

f) Foreign Currencies

The Restricted Group 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 companies operate.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Restricted Group at their functional currency spot rates at the date the transaction first qualifies for recognition.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
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 that are 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 Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

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g) Income taxes

Current income tax

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

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax liabilities are recognised for all taxable temporary differences.
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 Restricted Group is entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period.

Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate.

However, the Restricted Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

Deferred tax relating to items recognised outside profit 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.

h) Government grants

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

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

The Restricted Group has chosen to present 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 Restricted Group to the state electricity board from the eligible project in accordance with the scheme of the "Generation Based Incentive (GBI) for Grid interactive Wind Power Projects"

i) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Property, plant and equipment (PPE) comprising of Freehold land (other than investment property) and plant and equipment were carried in the balance sheet at their respective carrying value. Using the deemed cost exemption available as per Ind AS 101, the Restricted Group has elected to carry forward the carrying value of PPE under Indian GAAP as on 31 March 2015 as book value of such assets under Ind AS as at the transition date (1 April 2015).

Capital work-in-progress, plant and equipment 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 Restricted Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent Costs

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

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

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Depreciation/amortization of fixed assets

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

	Years
• Plant and equipment*	18
• Office equipment	5
• Furniture & fixture	10
• Computers	3
• Computers servers	3
• Power purchase agreement	Over the period of agreement i.e. generally 25 years

* Based on an internal technical assessment, the management believes that the useful lives as given above best represents the period over which management expects to use its assets. Hence, 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.

k) Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Restricted Group.

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l) 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 are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest 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 loan origination costs including loan processing fee, upfront fee, discount which are directly attributable to the acquisition of borrowings and premium on redemption of bonds 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 or 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.

m) Leases- As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Restricted Group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Restricted Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Restricted Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term

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

Arrangements containing a lease have been evaluated as on the date of transition i.e. 1st April 2015 in accordance with Ind-AS 101 First-time Adoption of Indian Accounting Standards for classification as finance or operating lease as at the date of transition to Ind AS basis the facts and circumstances existing as at that date.

n) Provisions

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

o) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the 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:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.
Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Restricted Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
In addition, the Restricted Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Restricted Group has not designated any debt instrument as at FVTPL.
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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

If the Restricted Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Restricted Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

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

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The rights to receive cash flows from the asset have expired, or
The respective Restricted Group has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement. And

Either the companies under the Restricted Group:
(a) has transferred substantially all the risks and rewards of the asset, or
(b) has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances.
b) Loan commitments which are not measured as at FVTPL

The Restricted Group recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L).

Financial liabilities

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

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

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

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

The Restricted Group perform quantitative analysis to determine whether an exchange or a modification is to be accounted for as an extinguishment. If the change in discounted cash flows (calculated on the basis of EIR) of the revised loans as compared with the original loan is less than 10%, the exchange or modification is not accounted for as an extinguishment and the unamortised loan origination costs in respect of the original financial liability are carried forward and amortised over the life of the modified loan facility. However, if the impact on cash flows due to modification is equal to or more than 10%, the unamortised loan origination costs of the initial loan facility are directly taken to the Statement of Profit and Loss as finance costs in the same year.

Compound Instruments- Compulsory Convertible Debentures (CCDs)

The Restricted Group determines classification of compound financial instruments at initial recognition.
Basis the terms of these compound financial instruments the distributions to holders of an equity instrument are being recognised by the entity directly in equity. Transaction costs of an equity transaction are being accounted for as a reduction from equity.
The Restricted Group recognises interest, dividends, losses and gains relating to such financial instrument or a component that is a financial liability as income or expense in profit or loss.

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

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

Convertible Preference Shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market interest rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion 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.

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 or loss.

Reclassification of financial assets and liabilities

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

Offsetting of financial instruments

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

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p) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

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

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

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

q) 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.

r) Measurement of EBITDA

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

s) Events occurring after the Balance Sheet date

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

t) Contingent liabilities and assets

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 Restricted Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed where an inflow of economic benefits is probable.

u) Impairment of non-financial assets:

The Restricted Group, 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 Restricted Group estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre -tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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 Restricted Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

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v) Standards issued but not yet effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment is in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendment is applicable to the Restricted Group from 1 April 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.
The Restricted Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

The Restricted Group has disclosed only those new standards or amendments that are expected to have an impact on its financial position, performance and disclosures.

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Restricted Group

Notes to Special Purpose Combined financial statements for the year ended 31 March 2017

(Amounts in INR million, except share and per share data, unless otherwise stated)

4 Property, plant and equipment	**Freehold Land#**	**Plant and equipment**	**Office equipment**	**Furniture & Fixtures**	**Computers**	**Total Property, plant and equipment**	**Capital work in progress**
Cost							
At 1 April 2015	**214**	**10,474**	-	-	-	10,688	**191**
Additions during the year	177	8	0	-	-	186	662
At 31 March 2016	**391**	**10,482**	**0**	-	-	**10,874**	**853**
Additions during the year**	39	3,322	1	0	0	3,362	3,046
Adjustment during the year*	-	-	-	-	-		(35)
Capitalised during the year	-	-	-	-	-	-	(3,322)
At 31 March 2017	430	13,804	1	0	0	**14,236**	**542**
Depreciation							
At 1 April 2015		**1,039**	-	-	-	1,039	-
Charge for the year (refer note 25)		553	0	-	-	553	-
At 31 March 2016	-	1,592	**0**	-	-	**1,592**	-
Charge for the year (refer note 25)	-	661	0	0	0	661	-
At 31 March 2017	-	2,253	0	**0**	0	**2,253**	-
Net book value							
At 1 April 2015	214	9,435	-	-	-	**9,649**	**191**
At 31 March 2016	391	8,890	**0**	-	-	**9,282**	**853**
At 31 March 2017	430	11,551	**1**	**0**	**0**	**11,982**	**542**

The titles of freehold land amounting to INR 57 (31 March 2016 INR 38 ; 1 April 2015 INR 51) is not yet in the name of the Companies forming part of the Restricted Group. The Companies forming part of Restricted Group are in process of registration of title deeds of these freehold lands.

*CWIP has been written off to the extent of non-viability of recovery of cost in future. Refer note 24 and 26.

****Capitalised borrowing costs**

The amount of borrowing costs capitalised in capital work in progress during the year ended 31 March 2017 was INR 118 (31 March 2016 INR 26). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate (ranges between 11.19% - 12.92%) of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:

Property, plant and equipment with a carrying amount of INR 12,524 (31 March 2016: INR 10,135 ; 1 April 2015 INR 9,840) are subject to a pari passu first charge to respective lenders for project term loans, buyer's/supplier's credit, bonds and acceptances as disclosed in Note 14 and Note 16.

(Amounts in INR million, except share and per share data, unless otherwise stated)

5 Intangible assets
(service concession arrangements*)

	Power Purchase agreements^	Intangible asset under development
Cost		
At 1 April 2015	1,249	2,631
Additions during the year	9,677	8,494
Capitalised during the year #	-	(9,677)
At 31 March 2016	**10,926**	**1,448**
Additions during the year#	8,462	7,195
Adjustments during the year **	(41)	-
Capitalised during the year	-	(8,462)
At 31 March 2017	**19,347**	**181**
Amortisation		
At 1 April 2015	198	-
Amortisation for the year (refer note 25)	207	-
At 31 March 2016	**405**	-
Adjustments during the year** (refer note 25)	(1)	-
Amortisation for the year (refer note 25)	555	-
At 31 March 2017	959	-
Net book value		
At 1 April 2015	**1,051**	**2,631**
At 31 March 2016	**10,521**	**1,448**
At 31 March 2017	**18,388**	**181**

*Intangible assets recognised for service concession arrangements as per Appendix A to Ind AS 11 Construction contracts. Refer Note 31.

**Adjustment during the year pertains to:

(i) actualisation of certain provisional capitalization of supply of goods and services and early closure of letter of credit amounting to INR 21. Corresponding impact on depreciation due to such adjustment amount to INR 1.

(ii) decapitalisation of asset on account of revision of agreement with ReNew Solar Power Private Limited of INR 20.

 # Capitalised borrowing costs
The amount of borrowing costs capitalised in the intangible assets under development during the year ended 31 March 2017 was INR 204 (31 March 2016 INR 340). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate (ranges between 11.19% - 12.92%) of the specific borrowing.

Mortgage and hypothecation on intangible assets:
Intangible assets with a carrying amount of INR 31 March 2017: 18,569 (31 March 2016: 11,969; 1 April 2015: INR 3,682) are subject to a pari passu first charge to respective lenders for project term loans, buyer's/supplier's credit and acceptances as disclosed in Note 14 and Note 16.

^ The title of leasehold lands forming part of intangible assets amounting to INR 44 (31 March 2016 INR Nil ; 1 April 2015 INR Nil) is not yet in the name of the Companies forming part of the Restricted Group. The Companies forming part of Restricted Group are in process of registration of title deeds of these leasehold lands.

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(Amounts in INR million, except share and per share data, unless otherwise stated)

6 Financial assets

	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless stated otherwise)			
Loans			
Security deposits	0	1	1
Total	**0**	**1**	**1**
Others			
Bank deposits with remaining maturity for more than twelve months (refer note 11)	1	161	180
Total	**1**	**161**	**180**
Current (unsecured, considered good unless stated otherwise)			
Financial assets at fair value through OCI			
Cash flow hedges			
Derivative instruments	-	86	179
Total	**-**	**86**	**179**
Others			
Recoverable from related parties (refer note 29)	285	123	74
Loans to related parties (refer note 29)	1,529	-	358
Unbilled revenue	616	287	118
Interest accrued on fixed deposits	12	25	16
Interest accrued on loans to related parties (refer note 29)	45	10	13
Insurance claim receivable	2	-	-
Total	**2,489**	**445**	**579**

7A Deferred tax assets (net)

Deferred tax relates to the following:

	31 March 2017	31 March 2016	1 April 2015
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Loss on mark to market of derivative instruments	-	27	10
	-	**27**	**10**
Deferred tax related to items recognised in statement of profit and loss:			
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws	48	10	-
Others	7	-	-
	55	10	-
Deferred tax assets (gross)			
Operation and maintenance equalisation reserve	1	9	6
Losses available for offsetting against future taxable income	128	131	106
Unused tax credits (MAT)	42	-	-
Liability component of compound financial instruments	25	21	-
Others	1	1	0
	196	162	112
Deferred tax assets (net)	**141**	**179**	**122**

7B Deferred tax liabilities (net)

Deferred tax relates to the following:

	31 March 2017	31 March 2016	1 April 2015
Deferred tax liabilities (gross)			
Difference in written down value as per books of account and tax laws	167	121	63
Liability component of compound financial instruments	172	43	34
Others	6	-	-
	345	**164**	**97**
Deferred tax assets (gross)			
Operation and maintenance equalisation reserve	6	4	8
Losses available for offsetting against future taxable income	4	27	19
Unused tax credits (MAT)	130	-	-
Others	1	0	0
	141	31	27
Deferred tax liabilities (net)	**204**	**133**	**70**

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(Amounts in INR million, except share and per share data, unless otherwise stated)

a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2016:

	31 March 2017	31 March 2016
Accounting profit before income tax	**(83)**	**791**
At India's applicable statutory income tax rate i.e. Minimum Alternate Tax (18.50%)/ Income Tax (30%) plus applicable Surcharge rate (7% to 12 %) and Cess (3%)	20	173
Adjustments in respect of current income tax of earlier years		2
Deferred tax expense/(income) reported in the statement of profit and loss*	(56)	23
Income not chargeable to tax:		
Construction Revenue	-	(1,762)
Liquidated damages	-	(77)
Non-deductible expenses for tax purposes:		
Construction Expenses	-	1,762
Depreciation and amortization expense (net)	-	(14)
Other non deductible expenses	0	13
Deductible expenses for tax purposes:		
Decrease/Increase in book profit on account of one-fifth of the transition amount adjusted in other equity and OCI items permanently recorded in reserves	43	-
At the effective income tax rate	**7**	**120**
Current tax expense reported in the statement of profit and loss	63	95
Deferred tax expense/(income) reported in the statement of profit and loss	(56)	23
Tax for earlier years	-	2
	7	**120**

*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	27	(34)
Operation and maintenance equalisation expenses	6	2
Difference in WDV as per books of accounts and tax laws	88	67
Compound Financial Instruments	(16)	(11)
Unused tax credit (MAT)	(171)	-
Others	10	(1)
	(56)	**23**

Reconciliation of deferred tax assets (net):

	31 March 2017	31 March 2016
Opening balance of DTA/DTL (net)	**47**	**52**
Deferred tax expense/(income) during the year recognised in profit or loss	56	(23)
Deferred tax income/(expense) during the period recognised in OCI	(27)	17
Deferred tax on initial recognition of compound financial instruments (netted through equity)	(139)	1
Closing balance of DTA/DTL (net)	**(63)**	**47**

The companies forming part of Restricted Group has tax losses and unabsorbed depreciation which arose in India of INR 1,721 (31 March 2016: INR 307; 1 April 2015: INR 231.

Out of this, the tax losses that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose are of INR 118 (31 March 2016: INR 101 ; 1 April 2015: INR 101). Majority of these losses will expire in 2023-2024. 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 1,603 (31 March 2016: INR 206 ; 1 April 2015: INR 130).

The Companies forming part of restricted group has recognised deferred tax asset of INR 132, (31 March 2016: INR 159 ; 1 April 2015: INR 124) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the power purchase agreement with power procurer.

8 Prepayments	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless otherwise stated)			
Prepaid expenses	12	5	11
Prepaid leases	2	2	1
Total	**14**	**7**	**12**
Current (unsecured, considered good unless otherwise stated)			
Prepaid expenses	17	17	11
Prepaid leases	1	1	1
	18	**18**	**12**

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(Amounts in INR million, except share and per share data, unless otherwise stated)

9 Other assets	31 March 2017	31 March 2016	1 April 2015
Non-current (unsecured, considered good unless otherwise stated)			
Capital advance	181	2,675	1,228
Advance income tax (net of income tax provisions)	145	67	28
Security deposits	6	2	14
Maharashtra VAT recoverable	14	84	84
Total	**346**	**2,828**	**1,354**
Current (Unsecured, considered good unless otherwise stated)			
Advances recoverable	44	92	61
Government grants*			
- Generation based incentive receivable	136	82	41
Accrued Interest on MVAT refund	-	8	-
Balances with Government authorities	0	-	-
Others	1	1	1
Total	**181**	**183**	**103**

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

10 Trade receivables	31 March 2017	31 March 2016	1 April 2015
Unsecured, considered good unless stated otherwise	1,624	939	220
Total	**1,624**	**939**	**220**

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

11 Cash and cash equivalents	31 March 2017	31 March 2016	1 April 2015
Cash and cash equivalents			
Balance with bank			
- On current accounts	1,570	995	538
- Deposits with original maturity of less than 3 months	5,589	655	42
	7,159	1,650	580
Bank balances other than cash and cash equivalents			
Deposits with			
- Remaining maturity for less than twelve months*	291	1,179	724
- Remaining maturity for more than twelve months	1	161	180
	292	1,340	904
Less: amount disclosed under financial assets (others) (refer note 6)	(1)	(161)	(180)
Total	**291**	**1,179**	**724**

*Fixed deposits of INR Nil (31 March 2016: INR 25 ; 1 April 2015: INR Nil) are under lien with lenders for the purpose of Debt Service Reserve Account (DSRA).

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(Amounts in INR million, except share and per share data, unless otherwise stated)

12 Share capital

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2015	37,060,000	371
Increase during the year	75,000	0
At 31 March 2016	37,135,000	371
Increase during the year	-	-
At 31 March 2017	**37,135,000**	**371**

0.001% redeemable non cumulative preference shares of INR 10 each	Number of shares	Amount
At 1 April 2015	7,500,000	75
Increase during the year	9,975,000	100
At 31 March 2016	17,475,000	175
Increase during the year	1,500,000	15
At 31 March 2017	**18,975,000**	**190**

0.0001% compulsorily convertible preference shares of INR 10 each	Number of shares	Amount
At 1 April 2015	19,990,000	200
Increase during the year	8,000,000	80
At 31 March 2016	27,990,000	280
Increase during the year	4,150,000	41
At 31 March 2017	**32,139,000**	**321**

0.0001% compulsorily convertible preference shares of INR 100 each	Number of shares	Amount
At 1 April 2015	-	-
Increase during the year	3,000,000	300
At 31 March 2016	3,000,000	300
Increase during the year	-	-
At 31 March 2017	**30,000,000**	**300**

Issued share capital

12A Equity shares of INR 10 each issued, subscribed and fully paid up	Number of shares	Amount
At 1 April 2015	31,014,426	310
Shares issued during the year	4,103,541	41
At 31 March 2016	35,117,967	351
Shares issued during the year	15,000	0
At 31 March 2017	**35,132,967**	**351**

Terms/rights attached to equity shares

Restricted Group entities have only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the Restricted Group entities will pay dividends in Indian rupees.

In the event of liquidation of a Company forming part of the Restricted Group, the holders of equity shares of such Company will be entitled to receive remaining assets of the respective 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 respective Company.

12B Equity component of preference shares:

0.001% redeemable non cumulative preference shares of INR 10 each (including share premium of INR 90 each)	Number of shares	Total proceeds	Liability component (Refer note 14)*	Equity component **
At 1 April 2015	7,419,187	742	165	569
Shares issued during the year	2,800,620	280	54	210
Accretion during the year	-	-	25	-
At 31 March 2016	10,219,807	1,022	244	779
Shares issued during the year	8,550,500	855	111	628
Accretion during the year	-	-	39	-
At 31 March 2017	**18,770,307**	**1,877**	**394**	**1,407**

(*Balance as at 1 April 2015 includes accretion on redeemable non cumulative preference shares of INR 38)
(**Adjusted for deferred tax at inception)

0.0001% compulsorily convertible preference shares of INR 10 each	Number of shares	Amount
At 1 April 2015	14,198,000	142
Shares issued during the year	8,906,000	89
At 31 March 2016	23,104,000	231
Shares issued during the year	3,810,000	38
At 31 March 2017	**26,914,000**	**269**

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(Amounts in INR million, except share and per share data, unless otherwise stated)

0.0001% compulsorily convertible preference shares of INR 100 each	Number of shares	Amount
At 1 April 2015	-	-
Shares issued during the year	2,519,043	252
At 31 March 2016	2,519,043	252
Shares issued during the year	-	-
At 31 March 2017	**2,519,043**	**252**

At 31 March 2017	**1,928**
At 31 March 2016	**1,262**
At 1 April 2015	**711**

Terms/rights attached to preference shares

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

RNCPS do not carry voting rights and are fully transferable. The RNCPS shall be redeemed at INR 100 per share at the end of 15th year from the date of issue i.e. 4,000,000 preference shares in October 2027, 3,000,000 preference shares in March 2028, 419,187 preference shares in June 2029, 2,717,120 preference shares in August 2030, 15,000 preference shares in January 2031, 68,500 preference shares in March 2031 and 8,550,500 preference shares in March 2035 or such other extended term as may be determined by the Board of the respective Company in one or more tranches.
In the event of Liquidation of a Company forming part of the Restricted Group, the RNCPS shall be entitled to receive an amount that is equal to the face value of RNCPS. The RNCPS shall also have right to participate in surplus assets & funds of the respective Company available for distribution to holders of RNCPS and equity shares based on the numbers of equity shares held by each shareholder, which may remain after the entire capital (both equity share capital and preference share capital) has been repaid, to the extent of INR 90 per preference share.

0.0001% compulsorily convertible preference shares (face value Rs 10 each) (CCPS)
ReNew Solar Energy (TN) Private Limited and ReNew Wind Energy (MP Two) Private Limited issued 14,198,000 0.0001% compulsorily convertible preference shares (CCPS) in FY 2014-15, ReNew Wind Energy (MP Two) Private Limited and ReNew Wind Energy (Shivpur) Private Limited issued 8,906,000 0.0001% CCPS in FY 2015-16 and ReNew Wind Energy (Shivpur) Private Limited issued 3,810,000 0.0001% CCPS in FY 2016-17 of INR 10 each fully paid-up at a premium of INR 90 per share. CCPS carry non cumulative dividend @ 0.0001%. If declared, the Restricted Group entities will pay dividends in Indian rupees. The dividend proposed by the Board of Directors of the respective Company is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

0.0001% compulsorily convertible preference shares (face value Rs 100 each) (CCPS)

During the previous year, the Restricted Group entities issued 2,519,043 0.0001% compulsorily convertible preference shares (CCPS) of INR 100 each fully paid up. CCPS carry non-cumulative dividend @ 0.0001% per annum. If declared, the Restricted Group entities will pay dividends in Indian rupees.
CCPS do not carry voting rights. CCPS are compulsorily convertible into equity shares on Mandatory Conversion Date i.e. July 2, 2035 at the conversion ratio defined in Joint Venture Agreement ('JVA'). CCPS may also get converted into equity shares of the respective Company at any time at the option of the holder, at the date determined by the holder of the CCPS before the Mandatory Conversion Date.

12C Equity component of compulsory convertible debentures

11% Compulsorily convertible debentures (CCDs) of INR 120 each	Number of debentures	Total proceeds	Liability component (refer note 14)	Equity component*
At 1 April 2015	-	-	-	-
Debentures issued during the year	1,489,180	179	117	79
Accretion during the year			11	-
At 31 March 2016	1,489,180	179	128	79
Accretion during the period	-	-	16	-
At 31 March 2017	**1,489,180**	**179**	**144**	**79**

(*Adjusted for deferred tax at inception)

Terms of conversion of CCDs

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the joint venture agreement at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue. CCDs do not carry any voting rights. Closing balance as on 31 March 2016 is INR 179 (31 March 2016: INR 179 ; 1 April 2015: INR nil)

12D Shares held in the Restricted Group entities

	31 March 2017		31 March 2016		1 April 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
ReNew Power Ventures Private Limited, parent company of entities forming part of the Restricted Group						
Equity shares of INR 10 each	26,646,826	266	26,646,826	266	26,646,826	266
0.001% redeemable non cumulative preference shares of INR 10 each	18,770,307	188	10,219,807	102	7,419,187	74
0.0001% compulsorily convertible preference shares of INR 10 each	17,514,000	175	13,704,000	137	4,798,000	48

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(Amounts in INR million, except share and per share data, unless otherwise stated)

ReNew Solar Power Private Limited, holding company of ReNew Solar Energy (Karnataka) Private Limited and ReNew Solar Energy (TN) Private Limited						
Equity shares of INR 10 each	4,269,990	43	4,269,990	43	4,269,990	43
0.0001% compulsorily convertible preference shares of INR 10 each	9,390,600	94	9,390,600	94	9,390,600	94
0.0001% compulsorily convertible preference shares of INR 100 each	2,519,043	252	2,519,043	252	-	-
Hareon Solar Singapore Private Limited						
Equity shares of INR 10 each	4,092,941	41	4,092,941	41	-	

12E Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

	For the year ended 31 March 2017		For the year ended 31 March 2016		For the year ended 31 March 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 10 each*	-	-	-	-	650,000	7

*Equity shares allotted as fully paid bonus shares by capitalisation of securities premium

12F Shares held by the other subsidiaries of the parent company of the entities forming part of the Restricted Group

	For the year ended 31 March 2017		For the year ended 31 March 2016		1 April 2015	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
ReNew Wind Energy (Karnataka Five) Private Limited, fellow subsidiary of entities forming part of the Restricted Group						
Equity shares of INR 10 each	6,600	0	9,000	0	8,700	0

12G Details of shareholders holding more than 5% shares in the Restricted Group	31 March 2017		For the year ended 31 March 2016		1 April 2015	
	Number	% Holding	Number	% Holding	Number	% Holding
ReNew Power Ventures Private Limited, parent company of entities forming part of the Restricted Group						
Equity shares of INR 10 each	26,646,826	75.85%	26,646,826	75.88%	26,646,826	85.92%
0.001% redeemable non cumulative preference shares of INR 10 each	18,770,307	100.00%	10,219,807	100.00%	7,419,187	100.00%
0.0001% compulsorily convertible preference shares of INR 10 each	17,514,000	65.07%	13,704,000	59.31%	4,798,000	33.79%
ReNew Solar Power Private Limited, holding company of ReNew Solar Energy (Karnataka) Private Limited and ReNew Solar Energy (TN) Private Limited						
Equity shares of INR 10 each	4,269,990	12.15%	4,269,990	12.16%	4,269,990	13.77%
0.0001% compulsorily convertible preference shares of INR 10 each	9,390,600	34.89%	9,390,600	40.64%	9,390,600	66.14%
0.0001% compulsorily convertible preference shares of INR 100 each	2,519,043	100.00%	2,519,043	100.00%	-	-
Hareon Solar Singapore Private Limited						
Equity shares of INR 10 each	4,092,941	11.65%	4,092,941	11.65%	-	-

As per the records of the respective companies forming part of the restricted group, including its register of shareholders/members the above shareholding represents both legal and beneficial ownerships of shares.

13 Other equity

13.1 Share application money pending allotment

At 1 April 2015	227
Share application money received	1,799
Share application money refunded	(76)
Equity shares issued during the year	(410)
Preference shares issued during the year	(1,423)
	117
Less: amount disclosed under 'other current financial liabilities' (refer note 19)	(117)
At 31 March 2016	-
Share application money received	1,239
Equity shares issued during the period	(2)
Preference shares issued during the period	(1,237)
At 31 March 2017	-

13.2 Share premium

At 1 April 2015	**3,995**
Premium on issue of equity shares during the year	369
Premium on issue of preference shares during the year	801
Amount utilized against writing off issue expenses for equity shares	(2)
Amount utilized against writing off issue expenses for preference shares	(0)
At 31 March 2016	**5,163**
Premium on issue of Equity shares during the year	1
Premium on issue of preference shares during the year	344
At 31 March 2017	**5,508**

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(Amounts in INR million, except share and per share data, unless otherwise stated)

13.3 Hedging Reserve

At 1 April 2015	(20)
Losses arising during the year on hedges	(40)
At 31 March 2016	**(60)**
Transfer to statement of profit & loss on settlement of hedges	60
At 31 March 2017	-

13.4 Retained Earnings

At 1 April 2015	(63)
Profit for the year	671
At 31 March 2016	**608**
Deferred tax liability on RNCPS	(25)
Loss for the year	(90)
At 31 March 2017	**493**

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Restricted Group
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14 Long-term borrowings

	Effective interest rate %	Maturity	Non-current 31 March 2017	Non-current 31 March 2016	Non-current 1 April 2015	Current 31 March 2017	Current 31 March 2016	Current 1 April 2015
Debentures (note 12 C)	12.46%	2015-2035	144	128	-	-	-	-
Compulsorily Convertible Debentures (unsecured) (includes accretion on CCDs of INR 27 (31 March 2016 INR 11 , 1 April 2015 INR Nil))								
		(a)	**144**	**128**	**-**	**-**	**-**	**-**
Bonds (secured)								
10.63% Senior Secured Bonds	12.58% - 12.70%	8 February 2022	31,151	-	-	-	-	-
		(b)	**31,151**	**-**	**-**	**-**	**-**	**-**
Term loan in Indian rupees (secured)								
From Banks								
10.60% Canara Bank	10.60%	17 February 2017	-	148	162	-	14	14
12.25% Union Bank of India	12.33%	9 May 2015	-	-	432	-	-	31
12.45% Canara Bank	12.66%	21 October 2015	-	-	875	-	-	62
11.25% Shamrao Vithal Cooperative Bank Limited	11.43%	22 February 2017	-	469	463	-	17	33
11.25% Oriental Bank of Commerce	11.43%	17 February 2017	-	342	-	-	2	-
11.25% Dena Bank	11.43%	22 February 2017	-	342	-	-	2	-
11.25% Kotak Mahindra Bank	11.43%	17 February 2017	-	381	-	-	9	-
11.25% Tamilnad Mercantile Bank Limited	11.43%	17 February 2017	-	356	-	-	4	-
11.25% Yes Bank	11.67%	17 February 2017	-	91	-	-	0	-
11.75% Export Import bank of India	12.34%	17 February 2017	-	226	-	-	10	-
11.5% Yes bank	12.11%	17 February 2017	-	451	-	-	-	-
		(c)	**-**	**2,806**	**1,932**	**-**	**58**	**140**
From financial institutions								
11.75% L&T Infrastructure Finance Co. Ltd.	11.98%	17 February 2017	-	2,237	2,157	-	77	42
12.00% L&T FinCorp Limited	12.59%	17 February 2017	-	512	-	-	57	-
11.05% India Infradebt Limited	11.42%	6 April 2017	-	-	-	373	-	-
11.50% PTC India Financial Services Limited	11.56%	17 February 2017	-	201	220	-	19	19
13.00% PTC India Financial Services Limited	13.13%	25 June 2015	-	-	525	-	-	37
12.60% IDFC Limited	12.73%	22 June 2015	-	-	947	-	-	67
10.60% India Infrastructure Finance Company Limited	10.60%	22 February 2017	-	343	375	-	32	32
10.60% India Infrastructure Finance Company Limited	10.79%	22 February 2017	-	753	-	-	65	-
11.00% L&T Infrastructure Finance Company Limited	11.23%	17 February 2017	-	13	-	-	1	-
10.45% L&T Infra Debt Fund Limited	10.82%	17 February 2017	-	355	-	-	26	-
11.00% Tata Cleantech Capital Limited	11.40%	17 February 2017	-	530	-	-	39	-
12.00% L & T Infrastructure Finance Company Limited-Subordinate Debt	12.03%	17 February 2017	-	565	-	-	9	-
14.75% Power Finance Corporation	14.98%	02 April 2016	-	537	809	-	78	129
13.00% L&T Fincorp Limited	13.72%	17 February 2017	-	241	-	-	5	-
11.00% L&T Infra Finance Limited	11.14%	17 February 2017	-	628	-	-	14	-
13.00% PTC India Financial Services Limited	13.22%	17 February 2017	-	562	450	-	21	32
12.50% Tata Cleantech Capital Ltd	12.62%	17 February 2017	-	-	353	-	-	25
11.00% PTC India financial Services Limited	11.42%	21 February 2017	-	542	-	-	15	-
12.00% L&T Infrastructure Finance Company Limited	12.59%	17 February 2017	-	586	343	-	26	-
		(d)	**-**	**8,605**	**6,179**	**373**	**484**	**383**
Liability component of preference shares (unsecured) (refer note 12B)								
0.001% redeemable non cumulative preference shares	12.46%	1 March 2028	83	74	66		-	-
0.001% redeemable non cumulative preference shares	12.46%	31 October 2027	115	103	91		-	-
0.001% redeemable non cumulative preference shares	12.46%	22 June 2029	75	66	8		-	-
0.001% redeemable non cumulative preference shares	12.46%	31 March 2035	121	1	-		-	-
(includes accretion on redeemable non cumulative preference shares of 31 March 2017 INR 102, 31 March 2016 INR 63, 1 April 2015 INR 38)								

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	(e)	394	244	165	-	-	-
Buyer's/ Supplier's credit (secured)		-	4,461	1,193	-	-	-
	(f)	-	4,461	1,193	-	-	-
Total long-term borrowings	(a) + (b) + (c) + (d) + (e) + (f)	31,689	16,244	9,469	373	542	523
Amount disclosed under the head 'Other current financial liabilities' (refer note 19)		-	-	-	(373)	(542)	(523)
Net long-term borrowings		31,689	16,244	9,469	-	-	-

(i) All the loans are covered by corporate guarantee of ReNew Power Ventures Private Limited, the holding Company.
(ii) Senior secured bonds have been issued based on the collective net worth of all the seven entities forming part of the Restricted Group and further all these entities have jointly and severally guaranteed the issue. Refer note 29(h).
(iii) For legal purpose mortgaged intangible assets (refer note 5) as per the requirements of Appendix A of Ind AS 11 are treated as tangible assets of the respective companies forming part of the Restricted Group. Refer note 31.

Particulars	Terms of repayment and security
Renew Wind Energy (Welturi) Private Limited	
Power Finance Corporation Limited Interest Rate - 13.25% p.a for INR 679 and 14.75% p.a for INR 272. Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016 INR 615 , 1 April 2015 INR 938)	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. This loan has been fully repaid in financial year 2016-17.
L&T Fincorp Limited Interest Rate - 13% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016 INR 246 , 1 April 2015 INR Nil)	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. This loan has been fully repaid in financial year 2016-17.
L&T Infra Finance Limited Interest Rate - 11% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016 INR 642 , 1 April 2015 INR Nil)	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. This loan has been fully repaid in financial year 2016-17.
Senior secured bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 1,460 (31 March 2016 INR Nil , 1 April 2015 INR Nil)	Repayable in single bullet payment on 8th February, 2022. Secured by way of exclusive mortgage over immovable properties situated at Welturi and Shedala Village, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge on immovable properties by way of mortgage and assignment is under process.
ReNew Power Ventures Private Limited, the holding company, has pledged 4,896,999	(31 March 2016: 4,481,859 ; 1 April 2015: 3,667,859) equity shares in the Company in favour of security trustee on behalf of lenders.
ReNew Wind Energy (Karnataka) Private Limited	
Senior secured bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 6,380 (31 March 2016 INR Nil , 1 April 2015 INR Nil)	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.
L&T Infrastructure Finance Company Limited Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil, 31 March 2016 is INR 2,314, 1 April 2015 INR 2,199.	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. The loan has been fully repaid in the financial year 2016-17.

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L&T FinCorp Limited Interest Rates - 12.00% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil, 31 March 2016 is INR 569, 1 April 2015 INR Nil.	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. The loan has been fully repaid in the financial year 2016-17.
ReNew Power Ventures Private Limited, the holding company, has pledged 227,700 (31 March 2016: 210,499 ; 1 April 2015: 17,201) equity shares and 10,136,307 (31 March 2016: 7,419,187 ; 1 April 2015: Nil) preference shares in the Company in favour of security trustee on behalf of	
Renew Wind Energy (Rajkot) Private Limited (refer (iii) above)	
Senior secured bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 3,601 (31 March 2016 INR Nil , 1 April 2015 INR Nil)	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.
Canara Bank - for Jasdan project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 162, 1 April 2015 INR 176.	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
Union Bank of India (UBI) - for Vaspet project Interest Rates - 12% to 12.25% p.a. (base rate + 2.00%) [floating interest rate with annual reset clause] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR nil, 1 April 2015 INR 463.	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
India Infradebt Limited Interest Rates - 11.05% p.a. Net carrying amount as on 31 March 2017 is INR 373, 31 March 2016 is INR nil (1 April 2015 INR nil).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company.
PTC India Financial Services Limited (PFS) - for Jasdan project Interest Rate - 11.50% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 220 1 April 2015 INR 239.	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. Lien in favour of PFS has been created on fixed deposit of INR 5 made by ReNew Power Ventures Private Limited, the holding company. This loan has been fully repaid in financial year 2016-17.
PTC India Financial Services Limited (PFS) - for Vaspet project Interest Rate - 13.00% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR nil, 1 April 2015 INR 562.	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
IDFC Limited - for Vaspet project Interest Rates - 12.60% to 12.65% p.a. (IDFC benchmark rate + 3.15%) [floating interest rate with reset clause every 2 years] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR nil, 1 April 2015 INR 1,014	Secured by pari passu charge by way of mortgage on immovable properties and assets, pari passu charge over movable properties, book debts, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets. Further secured by pari passu charge by way of assignment of all rights, title, interest, benefits, claims and demands under project documents, clearances, liquidated damages, letter of credit, performance bond related to project and insurance contracts and proceeds of the company. This loan has been fully repaid in financial year 2015-16.
India Infrastructure Finance Co. Ltd- for Jasdan project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 375 (1 April 2015 INR 407).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.

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India Infrastructure Finance Co. Ltd- for Vaspet project Interest Rates - 10.60% p.a. [floating interest rate with annual reset clause] Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 818, 1 April 2015 INR nil	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
L & T Infrastructure Finance Company Limited for Vaspet Project - Senior Interest Rate – 11% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 14, 1 April 2015 INR nil	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
L & T Infra Debt Fund Limited for Vaspet Project Interest Rate – 10.45% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 381, 1	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. This loan has been fully repaid in financial year 2016-17.
Tata Cleantech Capital Ltd-for Vaspet project Interest Rate – 11% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 569, 1 April 2015 INR nil	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company and first charge on pledge on 76% of paid up equity capital. This loan has been fully repaid in financial year 2016-17.
L & T Infrastructure Finance Company Limited for Vaspet Project - Subordinate debt Interest Rate – 12% p.a. (after one year floating interest rate with annual reset clause) Net carrying amount as on 31 March 2017 is INR nil, 31 March 2016 is INR 574, 1 April 2015 INR nil	Secured by second 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 and insurance contracts of the company and first charge on 24% pledge of shares. This loan has been fully repaid in financial year 2016-17.
ReNew Power Ventures Private Limited, the holding company, has pledged 11,922,124 (31 March 2016: 11,922,124 ; 1 April 2015: 11,922,124) equity shares in the Company in favour of security trustee on behalf of lenders.	
Renew Wind Energy (Shivpur) Private Limited (refer (iii) above)	
10.629% Senior Secured Bonds Interest Rates - 10.629% p.a. Net carrying amount as on 31 March 2017 is INR 10,693 (31 March 2016: INR Nil ; 1 April 2015: INR Nil).	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.
Oriental Bank of Commerce Interest Rates - 11.25% p.a.(floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 344 ; 1 April 2015: INR Nil).	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. This loan has been fully repaid in financial year 2016-17.
Shamrao Vithal Co-Operative Bank Ltd Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 486 ; 1 April 2015: INR 496).	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. This loan has been fully repaid in financial year 2016-17.
Canara Bank Interest Rates - 12.45% p.a to 13% p.a (Base rate + 2.50% p.a), (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR Nil ; 1 April 2015: INR 937).	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. This loan has been fully repaid in FY 2015-16.
Dena Bank Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 344 ; 1 April 2015: INR Nil).	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. This loan has been fully repaid in FY 2016-17.

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Kotak Mahindra Bank Limited Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 390 ; 1 April 2015: INR Nil).	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. This loan has been fully repaid in FY 2016-17.
Tamilnad Mercantile Bank Limited Interest Rates - 11.25% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 360 ; 1 April 2015: INR Nil).	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. This loan has been fully repaid in FY 2016-17.
PTC India Financial Services Limited (PFS) Interest Rates- 13.00% p.a. (floating interest rate with annual reset clause) [PFS has the option to put in place its own benchmark reference rate] Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR 583 ; 1 April 2015: INR 482).	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. This loan has been fully repaid in FY 2016-17.
Tata Cleantech Capital Ltd Interest Rates - 12.50% p.a. (LTLR - 5.75% p.a.) (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (31 March 2016: INR Nil ; 1 April 2015: INR 378).	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. This loan has been fully repaid in FY 2015-16

ReNew Power Ventures Private Limited, the holding company, has pledged 8,145,999 (31 March 2016: 6,609,999 ; 1 April 2015: 6,609,999) equity shares and 10,283,000 (31 March 2016: Nil ; 1 April 2015: NIL) preference share in the Company in favour of security trustee on behalf of

Renew Wind Energy (MP Two) Private Limited (refer (iii) above)	
Yes Bank Interest Rate - 11.25% p.a. (floating interest rate) Net carrying amount as on 31 March 2017: Nil (31 March 2016: INR 92 ; 1 April 2015: Nil).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan has been fully repaid in the financial year 2016-17.
PTC India Financial Services Limited Interest Rate - 11.00% p.a. (floating interest rate) Net carrying amount as on 31 March 2017: Nil (31 March 2016: INR 557 ; 1 April 2015: Nil).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company The loan has been fully repaid in the financial year 2016-17.
10.629% Senior Secured Bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 1,636 (31 March 2016: Nil ; 1 April 2015: Nil).	Repayable in single bullet payment on 8th February 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows.

ReNew Power Ventures Private Limited, the holding company, has pledged 1,443,999 (31 March 2016: 1,443,999, 1 April 2015: nil) equity shares and 7,230,831 (31 March 2016: 7,230,831, 1 April 2015: nil) preference shares of the Company in favour of security trustee on behalf of

Renew Solar Energy (TN) Private Limited (refer (iii) above)	
Export Import Bank of India Interest Rate - 11.75% p.a. (floating interest rate) Net carrying amount as on 31 March 2017: Nil (31 March 2016: INR 236 ; 1 April 2015: Nil).	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the company. The loan has been fully repaid during current year.
L & T Infrastructure Finance Company Limited Interest Rate - 12.00% p.a. (floating interest rate) Net carrying amount as on 31 March 2017: Nil (31 March 2016: INR 612 ; 1 April 2015: INR 343	Secured by pari passu first charge by way of mortgage of all the present and future immovable properties including revenue land allotted to the borrower, 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 and insurance contracts of the company. The loan has been fully repaid during current year.

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Buyer's/Supplier's credit Interest rate 6 months LIBOR +0.65% Net carrying amount as on 31 March 2017: Nil (31 March 2016: INR 1,922 ; 1 April 2015: INR 1,193).	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. This has been fully repaid during current year.
10.629% Senior Secured Bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 3,332 (31 March 2016: Nil ; 1 April 2015: Nil)."Accretion of premium accrued as on March 31 2017 is INR 6 (31 March 2016 Nil; 1 April 2015 Nil).	Repayable in single bullet payment on 8th February, 2022 along with premium on redemption @ 7.5% Secured by way of exclusive mortgage over immovable properties, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge by way of hypothecation is pending.

ReNew Solar Power Private Limited, the holding company, has pledged 7,600 (31 March 2016: 7,600, 1 April 2015: nil) equity shares and 7,144,000 (31 March 2016: 7,144,000, 1 April 2015: nil) preference shares of the Company in favour of security trustee on behalf of lenders.

Renew Solar Energy (Karnataka) Private Limited (refer (iii) above)

Terms of conversion of CCDs

CCDs are compulsorily convertible into equity shares at the end of twenty years from the date of issue, viz., July 03, 2035 in accordance with the terms of the JVA at conversion ratio defined therein.
CCD carry an interest coupon rate of 11% per annum with moratorium of 18 months from the date of issue . CCDs do not carry any voting rights.
Closing balance as on 31 March 2017 is INR 144 (31 March 2016 INR128, 1 April 2015 INR Nil)

Yes Bank Interest Rate - 11.50% p.a. (floating interest rate) Net carrying amount as on 31 March 2017 is INR Nil (1 April 2016 INR 451, 1 April 2015 Rs Nil)	Secured by first pari passu 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. This loan has been fully repaid in financial year 2016-17.
Buyer's/Supplier's credit Interest Rate - 6 month libor plus 0.75%. Net carrying amount as on 31 March 2017 is INR Nil (1 April 2016 INR 2,539, 1 April 2015 Rs Nil)	Bullet repayment at the end of 1080 days from the shipment date. 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. This loan has been fully repaid in financial year 2016-17.
10.629% Senior Secured Bonds Interest Rate - 10.629% per annum Net carrying amount as on 31 March 2017 is INR 4,048 (31 March 2016 Rs Nil , 1 April 2015 Rs Nil)	Repayable in single bullet payment on 8th February, 2022 Secured by way of exclusive mortgage over immovable properties, exclusive charge by way of hypothecation of tangible and Intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary Charge over the account receivables ,book debts and cash flows. Creation of charge on immovable properties by way of mortgage and assignment is under process.

ReNew Solar Power Private Limited, the holding company, has pledged 4,259,999 (31 March 2016: 4,259,999 ; 1 April 2015: Nil) equity shares and 1,284,712 (31 March 2016: 1,284,712 ; 1 April 2015: Nil) CCPS investments in the Company in favour of security trustee on behalf of lenders.

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(Amounts in INR million, except share and per share data, unless otherwise stated)

15 Other non-current liabilities	31 March 2017	31 March 2016	1 April 2015
Operation and maintenance equalisation reserve	248	183	157
Total	**248**	**183**	**157**

16 Short term borrowings	31 March 2017	31 March 2016	1 April 2015
Acceptances (secured)*	-	1,284	-
Loan from related party (unsecured)** (refer note 29)	-	813	411
Total	**-**	**2,097**	**411**

*Acceptances are secured by first pari passu charge over all future and present current assets and moveable fixed assets of the respective companies under the Restricted Group except assets specially charged to project term lenders and carry interest @ 9.20% - 9.65% per annum.
For legal purposes these mortgaged assets are tangible assets of the respective companies in the Restricted Group. However, based on the requirements of Appendix A of Ind AS 11, these are not recognized as tangible assets. Refer note 31 to the financial statements of the Restricted Group for the year ended 31 March 2017.

**Unsecured loan from related party was repayable on demand and carried interest at yield on government securities of 3 years period on the date of disbursement.

17 Trade payables	31 March 2017	31 March 2016	1 April 2015
Current			
Outstanding dues to micro enterprises and small enterprises (refer note 39)	-	-	-
Others	504	326	143
Total	**504**	**326**	**143**

18 Derivative instruments	31 March 2017	31 March 2016	1 April 2015
Financial liabilities at fair value through OCI			
Cash flow hedges			
Derivative instruments	-	11	28
Total	**-**	**11**	**28**

19 Other current financial liabilities	31 March 2017	31 March 2016	1 April 2015
Financial liabilities at amortised cost			
Current maturities of long term borrowings (Refer note 14)	373	542	523
Others			
Interest accrued but not due on borrowings	555	224	80
Interest accrued and due on borrowings	-	33	-
Capital creditors	1,337	2,428	1,319
Share application money received and due for refund (refer note 13.1)	-	117	-
Total	**2,265**	**3,344**	**1,922**

20 Other current liabilities	31 March 2017	31 March 2016	1 April 2015
Operation and maintenance equalisation reserve	28	18	13
Statutory dues	54	21	36
Other advances	1	-	-
Total	**83**	**39**	**49**

21 Short term Provisions	31 March 2017	31 March 2016	1 April 2015
Income tax provision (net of advance tax)	5	-	0
Total	**5**	**-**	**0**

(Amounts in INR million, except share and per share data, unless otherwise stated)

22 Revenue from operations	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Income from operations		
Sale of power	4,225	2,518
Construction revenue (refer note 31)	7,175	8,494
Income from sale of renewable energy certificates	72	47
Total	**11,472**	**11,059**

23 Other income	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Interest income		
- on fixed deposit with banks	142	96
- on loan to related parties (refer note 29)	39	3
- MVAT refund	-	8
- Income tax refund	0	1
Insurance claim received	28	-
Government grant		
- Generation based incentive	214	144
- sale of emission reduction certificates	-	4
Miscellaneous income	-	0
Total	**423**	**256**

24 Other expenses	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Project construction expenses (refer note 31)	7,175	8,494
Legal and professional fees	38	27
Corporate social responsibility (refer note 40)	9	4
Travelling and conveyance	9	5
Rent	2	1
Director's commission	5	5
Management shared services (refer note 29)	209	112
Rates and taxes	4	14
Payment to auditors*	4	3
Insurance	23	7
Operation and maintenance	336	171
Repair and maintenance**		
- plant and machinery	6	2
- others	-	1
Security Charges	6	3
Communication Costs	1	1
Miscellaneous Expenses**	17	20
Total	**7,844**	**8,870**

** As explained in note 4, INR 15 has been written off from Capital Work in Progress.

***Payment to Auditors**	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
As auditor:		
Audit fee	3	3
Reimbursement of expenses	1	0
	4	**3**

25 Depreciation and amortization expense	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Depreciation of tangible assets (refer note 4)	661	553
Amortisation of intangible assets (refer note 5)	554	207
Total	**1,215**	**760**

26 Finance costs	**For the year ended 31 March 2017**	**For the year ended 31 March 2016**
Interest expense on**		
- term loans	1,356	1,183
- loan from related party (refer note 29)	74	46
- bonds	481	-
- acceptance	105	3
- buyer's/supplier's credit	417	139
- liability component of compulsorily convertible debentures	16	1
- liability component of redeemable non-cumulative preference shares	39	21
- others	1	2
Bank charges	31	18
Unamortised ancillary borrowing cost written off*	399	-
Total	**2,919**	**1,413**

* Represents carried forward unamortised cost pertaining to existing loan charged to statement of profit & loss due to change in lender on account of refinancing.
** As explained in note 4, INR 19 has been written off from Capital Work in Progress.

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(Amounts in INR million, except share and per share data, unless otherwise stated)

27 Earnings per share (EPS)

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

28 Employee benefit expenses

There are no employees on the rolls of the Companies forming part of the Restricted Group and therefore there are no employee benefit expenses accrued in the combined financial statements. Parent Company allocates employee costs to the companies forming part of the Restricted Group as management shared services and is not separately identifiable.

29 Related Party Disclosures

a) Names of related parties and related party relationship

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

I. Holding Company :

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

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

II. Ultimate Holding Company

GS Wyvern Holdings Limited

III. Key management personnel :

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

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

ReNew Wind Energy (Karnataka 3) Private Limited
ReNew Wind Energy (Karnataka two) Private Limited
ReNew Wind Energy Delhi Private Limited
Renew Solar Energy Private Limited
ReNew Wind Energy (Varekarwadi) Private Limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Wind Energy (Rajasthan) Private Limited
ReNew Akshay Urja Private Limited
ReNew Solar Energy (Jharkhand Five) Private Limited
Renew Solar Energy (Jharkhand Four) private Limited
Renew Solar Energy (Jharkhand Three) Private Limited
ReNew Solar Energy (Jharkhand One) Private Limited
Renew Saur Urja Private Limited
Renew Solar Energy (Telangana) Private Limited
ReNew Wind Energy (AP 3) Private Limited
ReNew Wind Energy MP Private Limited
ReNew Wind Energy (MP Two) Private Limited
ReNew Wind Energy (Jadeswar) Private Limited

V. Enterprise with significant influence

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

b) Details of transactions with holding Company:

Particulars	ReNew Power Ventures Private Limited		ReNew Solar Power Private Limited	
	For the year ended 31 March 2017	For the year ended 31 March 2016	For the year ended 31 March 2017	For the year ended 31 March 2016
Issue of CCPS (including share premium)	381	891	-	252
Issue of RNCPS (including share premium)	855	280	-	-
Share application money received	939	490	-	-
Share application money refunded	201	76	-	-
Unsecured loan received	4,490	1,196	1	1
Unsecured loan repaid	5,303	771	1	24
Unsecured loan given to related party	1,256	-	-	-
Expense incurred on behalf of holding company	9	-	-	-
Expense Paid on behalf of the Company	66	-	-	-
Unsecured loan repayment received	6	358	-	-
Purchase of land	-	1	-	-
Payment on behalf of holding Company	0	2	-	11
Reimbursement of expenses (Management shared services) #	33	20	1	2
Purchase of services (Management shared services) #	366	224	5	-
Interest income on unsecured loan	10	3	-	-
Payment on behalf by holding company	-	191	-	14
Purchase of fixed assets	-	-	-	436
Purchase - EPC	-	-	17	-
Interest expense on unsecured loan	92	52	0	1
Operation and maintenance expenses	-	-	14	-

The holding Company has charged certain common expenses to its subsidiary companies forming part of the Restricted Group and other subsidiaries on the basis of its best estimate of expenses incurred for each of its subsidiary companies forming a part of the Restricted Group and others and recovered the said expenses in the form of 'Management Shared Services'. The management believes that the method adopted by the holding Company is most appropriate basis for recovering of such common expenses.

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c) **Details of outstanding balances with holding Company:**

Particulars	ReNew Power Ventures Private Limited			ReNew Solar Power Private Limited		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Share application money pending allotment	-	117	226	-	-	-
Unsecured loan payable	-	813	387	-	-	24
Unsecured loan receivable	1,250	-	358	-	-	-
Trade payables	316	205	83	1	-	-
Capital creditors	443	282	238	26	469	36
Interest income accrued on unsecured loan	19	10	13	-	-	-
Interest expense accrued on unsecured loan	141	83	32	0	0	0
Recoverable from related parties	1	1	52	17	11	-

d) **Details of transactions with fellow subsidiaries:**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Payment made on behalf of fellow subsidiary	170	35
Purchase of services (Management shared services)	-	52
Expense incurred by fellow subsidiary on behalf of the company	6	20
Expense incurred on behalf of fellow subsidiary	6	-
Interest income accrued on unsecured loan given	29	-
Unsecured loan given	7,344	-
Unsecured loan repayment received	7,065	-
Amount received on behalf of company	-	2

e) **Details of outstanding balances with fellow subsidiaries:**

Particulars	31 March 2017	31 March 2016	1 April 2015
Trade payable	10	4	4
Capital creditors	27	20	-
Recoverable from related party	267	111	22
Interest Income accrued on unsecured loan given	26	-	-
Unsecured loan given	279	-	-
Capital advance	5	-	-

f) **Details of transactions with enterprise with significant influence:**

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
Issue of equity shares (including share premium)	-	409
Issue of CCDs	-	179
Annual management fee and other costs	2	6

g) **Compensation of Key management personnel of the Restricted Group entities**

Remuneration to the key managerial personnel is paid by the holding Company of companies forming part of the Restricted Group and is allocated between the respective subsidiary companies as management shared services and is not separately identifiable.

h) During the year, the companies forming part of the Restricted Group has raised funds through issuance of senior secure bonds (the "Issue"). These bonds have been issued based on the collective net worth of all the seven entities forming part of the Restricted Group and further all these entities have jointly and severally guaranteed the Issue. Certain companies forming part of the Restricted Group had common directors at the time of the Issue. The management, based on legal opinion, considers that this guarantee on behalf of other fellow subsidiaries is in the 'ordinary course of business' and is in compliance with the requirements of section 185 of the Companies Act, 2013.

i) All the loans are covered by corporate guarantee of ReNew Power Ventures Private Limited, the intermediate holding Company.

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30 Segment Information

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

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

	For the year ended 31 March 2017			For the year ended 31 March 2016		
	Wind Power	Solar Power	Total	Wind Power	Solar Power	Total
Sale of power and sale of renewable energy certificates	2,955	1,342	4,297	2,040	525	2,565
Construction revenue	7,175	-	7,175	3,197	5,296	8,494
Revenues from operations	**10,130**	**1,342**	**11,472**	**5,237**	**5,821**	**11,059**
Less: Inter-segment	-	-	-	-	-	-
Revenues from external customers	**10,130**	**1,342**	**11,472**	**5,237**	**5,821**	**11,059**
Interest income	111	70	181	60	49	108
Other Income (other than interest income)	242	-	242	147	0	147
Exceptional items	-	-	-	519	-	519
Total income	**10,483**	**1,412**	**11,895**	**5,963**	**5,870**	**11,833**
Less: Construction expenses	7,175	-	7,175	3,197	5,296	8,493
Less: Other expenses	462	207	670	307	70	376
Earning before interest, tax, depreciation and amortization (EBITDA)	**2,846**	**1,205**	**4,050**	**2,459**	**504**	**2,964**

31 Service Concession Arrangements

Project means a wind power and solar power plant set up by companies forming part of the Restricted Group at various locations comprising of a number of wind turbine generators and solar panels. The companies forming part of the Restricted Group, which are privately held, have entered into Power Purchase Agreements ("PPAs") with State Electricity Boards ("SEBs"). These Public Private Partnerships have been evaluated for applicability of service concession arrangements.

The significant terms of the service concession arrangements are as below:

i. The tenure of the arrangement across projects is 25 years which covers the entire useful life of the underlying assets.

ii. The power producer and the power procurer have fixed tariffs per unit of KWH for entire agreement term.

iii. The respective companies under the Restricted Group should construct, operate and maintain the project(s) during the term of PPA for the Power Procurer at its own cost including the interconnection facilities and the substation.

Pursuant to the terms of the PPA, Power Producer has to sell all available capacity from identified wind and solar power plants to the Power Procurer.

iv. Liquidated damages are to be paid by the respective companies under the Restricted Group to the Power Procurer if the project is not commissioned by its schedule commercial operation date.

v. The respective companies under the Restricted Group assess for appropriate classification, the service concession arrangements entered with various state utilities. Basis the contractual terms, setting up a power plant in accordance with the arrangement has bestowed a right upon respective companies under the Restricted Group to charge for the power generated by the plant and therefore the consideration to be received for providing construction services is an intangible asset in the form of a license to charge the users of the facility. Thus, the respective companies under the Restricted Group are recording an intangible asset for the construction services provided while recording the construction revenue for the arrangement.

vi The intangible assets (including intangible assets under development) recognised under the service concession agreement as at 31 March 2017 is INR 18,569, 31 March 2016 is INR 11,969 1 April, 2015: INR 3,682. (refer note 5)

vii For the year ended 31 March 2017 the amount of revenue and corresponding cost recorded in statement of profit and loss on account of exchange of construction services for an intangible asset is as follows:-

	For the year ended 31 March 2017			For the year ended 31 March 2016		
Companies forming part of Restricted Group	**Construction revenue under Power Purchase Agreement**	**Construction cost under Power Purchase Agreement (Classified under other expenses)**	**Profit or loss**	**Construction revenue under Power Purchase Agreement**	**Construction cost under Power Purchase Agreement (Classified under other expenses)**	**Profit or loss**
ReNew Solar Energy (TN) Pvt. Ltd.	-	-	-	983	983	-
ReNew Solar Energy (Karnataka) Private Limited	-	-	-	4,317	4,317	-
ReNew Wind Energy MP (Two) Private Limited	226	226	-	2,100	2,100	-
ReNew Wind Energy (Shivpur) Private Limited	6,949	6,949	-	1,094	1,094	-
Total	7,175	7,175	-	8,494	8,494	-

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32 Hedging activities and derivatives

Derivatives designated as hedging instruments

The companies under the Restricted Group use foreign currency denominated borrowings and cross currency interest rate swaps to manage foreign currency risk. These swaps were designated as cash flow hedges and were entered into for periods consistent with foreign currency exposure of the underlying transactions, generally of 36 months for buyer's/supplier's credit.

Cash flow hedges

Hedge were taken against exposure to foreign currency risk and variable interest outflow on Buyer's/Supplier's Credit. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:--

i. Pay fixed INR and receive USD and fixed interest at 7.92% to 8.55% p.a. and receive a variable interest at 6 month LIBOR plus 0.75% p.a. on the notional amount.
The cash flow hedge as at 31 March 2017 is Nil as there are no Buyers Credit outstanding. The cash flow hedges of the buyer's credit of USD 38 Million (1 April, 2015: Nil), during the year ended 31 March 2016 were assessed to be highly effective and a mark to market loss of INR 58 with a deferred tax asset of INR 18 relating to the CCIRS, was included in OCI.
Mark to market gain on ineffective portion of hedge of swaps of INR 0 has been credited to the statement of profit & loss.

ii. Pay fixed INR and receive USD and fixed interest at 8.19 % p.a. to 8.58% p.a. and receive a variable interest at 6 month LIBOR plus 0.65% p.a. on the notional amount.
The cash flow hedge as at 31 March 2017 is Nil as there are no Buyers Credit outstanding. The cash flow hedges of the buyer's credit of USD 29 Million (1 April, 2015: USD 19 Million), during the year ended 31 March 2016 were assessed to be highly effective and a mark to market gain of INR 1 with a deferred tax liability of INR 1 relating to the CCIRS, was included in OCI.

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 2017		31 March 2016		1 April 2015	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Cross currency interest rate swaps designated as hedging instrui	-	-	86	11	-	28

The interest on buyer's credit was payable on a half yearly basis and the corresponding settlement using the interest rate swap also happened on a half yearly basis. The above described CCIRS were settled in 2016-17.

33 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies under the Restricted Group, other than those with carrying amounts that are reasonable approximations of fair values:

	31 March 2017		31 March 2016		1 April 2015	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities measured at fair value						
Derivative instruments- Cross currency interest rate swaps	-	-	11	11	28	28
Buyer's/supplier's credit	-	-	4,461	4,461	1,193	1,193
Financial liabilities not measured at fair value						
Term loans from banks and financial institutions	373	373	11,410	11,410	8,114	(1)
Liability component of preference shares	394	394	244	244	165	165
Compulsory convertible debentures	144	144	128	128	-	-
Bonds	31,151	31,151	-	-	-	-
Financial assets measured at fair value						
Derivative instruments- Cross currency interest rate swaps	-	-	86	86	-	-

The management of the companies under the restricted group assessed that cash and cash equivalents, trade receivables, trade payables, short term borrowings, other current financials liabilities and other current financial assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

i The fair values of the companies forming part of restricted group's senior secured bonds, term loans from banks and financial institutions including current maturities are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2017 was assessed to be insignificant.

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

iii The respective companies under the Restricted Group entered 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.

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34 Fair value hierarchy

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

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

	Date of valuation	Amount	Fair value measurement using Quoted prices in active markets (Level 1) Fair Value	Fair value measurement using Significant Observable Inputs (Level 2) Fair Value	Fair value measurement using Significant Unobservable Inputs (Level 3) Fair Value
Financial liabilities measured at fair value:					
Derivatives in effective hedges- Cross currency interest rate swaps	31 March 2017	-	-	-	-
	31 March 2016	11	-	11	-
	1 April 2015	28	-	28	-
Buyer's/supplier's credit	31 March 2017	-	-	-	-
	31 March 2016	4,461	-	4,461	-
	1 April 2015	1,193	-	1,193	-
Financial liabilities not measured at fair value					
Term loans from banks and financial institutions	31 March 2017	373	-	373	-
	31 March 2016	11,410	-	11,410	-
	1 April 2015	8,114	-	8,114	-
Liability component of preference shares	31 March 2017	394	-	394	-
	31 March 2016	244	-	244	-
	1 April 2015	165	-	165	-
Compulsory convertible Debentures	31 March 2017	144	-	144	-
	31 March 2016	128	-	128	-
	1 April 2015	-	-	-	-
Bonds	31 March 2017	31,151	-	31,151	-
	31 March 2016	-	-	-	-
	1 April 2015	-	-	-	-
Financial assets measured at fair value:					
Derivatives in effective hedges- Cross currency interest rate swaps	31 March 2017	-	-	-	-
	31 March 2016	86	-	86	-
	1 April 2015	-	-	-	-

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities measured at fair value:			
Derivatives in effective hedges- Cross currency interest rate sw	Level 2	Market Valuation Technique	Forward foreign currency exchange rates , Interest rate to discount future cash flows
Buyer's/supplier's credit	Level 2	Market Valuation Technique	Forward foreign currency exchange rates , Interest rate to discount future cash flows
Financial liabilities not measured at fair value			
Term loans from banks and financial institutions	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future payouts
Liability component of preference shares	Level 2	Discounted cash	Prevailing interest rates in the market, Future cash flows
Compulsory convertible Debentures	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Bonds	Level 2	Discounted cash flow	Prevailing interest rates in the market, Future cash flows
Financial assets measured at fair value:			
Derivatives in effective hedges- Cross currency interest rate sw	Level 2	Market Valuation Technique	Forward foreign currency exchange rates , Interest rate to discount future cash flows

35 Exceptional Items

During the previous year, the Restricted Group entities reached settlement with certain suppliers/ contractors on account of delay in commissioning of Jogihalli project, Tadas project, Vaspet 2&3 project, Mandsaur project and Vaspet-1 project. Resultantly, an amount of INR 109 for Jogihalli project, INR 70 for Tadas project, INR 40 for Vaspet 2&3 project, INR 99 for Mandsaur project, INR 66 for Vaspet-1 project towards liquidated damages ("LDs") and INR 37 for Jogihalli project and INR 98 for Mandsaur project towards interest on advance were recognized in the statement of profit and loss.

Since, the said LDs were directly linked to delay in creating profit making apparatus, the same was considered as capital receipt and thus was not included in Book Profit under section 115JB of the Income Tax Act, 1961. The same was supported by the opinion of the advisors obtained by the respective Companies under the Restricted Group.

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Restricted Group
Notes to Special Purpose Combined financial statements for the year ended 31 March 2017
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36 Financial Risk Management objectives and policies

The financial liabilities of the respective companies under the Restricted Group comprise loans and borrowings, derivative liabilities, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, derivative assets, trade receivables, cash and cash equivalents and other financial assets. The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market Risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2017. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2017.

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

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on financial liabilities, i.e. borrowings in INR and USD. With all other variables held constant, the Restricted Group's profit before tax is affected through the impact on financial assets, as follows:

	31 March 2017		31 March 2016	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+/(-) 50	+/(-) 68	+/(-) 50	(-)/+ (56)

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

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 respective companies under the Restricted Group were exposed to foreign currency risk arising from imports of capital equipment in US dollars in the previous year. The Group hedges its exposure to fluctuations on the translation into INR of its buyer's/supplier's credit by using foreign currency interest rate swaps. The Restricted Group has followed a conservative approach for hedging the foreign currency risk so as to not use complex forex derivatives. The Restricted Group also monitors that the hedges do not exceed the underlying foreign currency exposure. The Restricted Group does not undertake any speculative transactions.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and INR exchange rates, with all other variables held constant. The impact on the Restricted Group's profit before tax in the previous year is due to changes in the fair value of monetary liabilities comprising of buyer's/supplier's credit in US dollars. The impact on the Restricted Group's pre-tax equity is due to changes in the fair value of cross-currency interest-rate swaps (CCIRS) designated as cash flow hedges. The Restricted Group's exposure to foreign currency changes for all other currencies is not material. The companies forming part of the Restricted Group do not have any have any foreign currency exposure as on 31 March 2017.

31 March 2017			31 March 2016		
Change in USD rate	Effect on profit	Effect on pre-tax	Change in USD rate	Effect on profit	Effect on pre-tax
-	-	-	+5%	(223)	(5)
-	-	-	-5%	223	5

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 respective companies under the Restricted Group are exposed to credit risk from their operating activities (primarily trade receivables) and from its financing activities but this credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities.

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

Trade Receivables

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

The Restricted Group has state utilities/government entities as it's customers with high credit worthiness therefore, Restricted Group does not see any significant risk related to credit.

Financial instruments and credit risk

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

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Restricted Group
Notes to Special Purpose Combined financial statements for the year ended 31 March 2017
(Amounts in INR million, except share and per share data, unless otherwise stated)

Liquidity Risk

Liquidity risk is the risk that the respective companies under the Restricted Group will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the respective companies under the Restricted Group to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The respective companies under the Restricted Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Restricted Group entities have access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

Year ended 31 March 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Senior Secured Bonds	-	-	-	31,151	-	31,151
Compulsorily convertible debentures	-	-	-	-	144	144
Convertible preference shares	-	-	-	-	394	394
Other financial liabilities						-
Current maturities of long term borrowings	-	373	-	-	-	373
Interest accrued but not due on borrowings	141	414	-	-	-	555
Capital Creditors	495	842	-	-	-	1,337
Trades and other payables						-
Trades payables	327	177	-	-	-	504

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

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

Year ended 31 March 2016	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from Banks	-	-	-	714	2,092	2,806
Loans from Financial Institutions	-	-	-	2,197	6,408	8,605
Buyer's credit	-	-	-	4,461	-	11,783
Compulsorily convertible debentures	-	-	-	-	128	128
Convertible preference shares	-	-	-	-	244	244
Short term borrowings						
Loans from related party	813	-	-	-	-	813
Acceptances	-	437	847	-	-	1,284
Other financial liabilities						
Current maturities of long term borrowings	-	118	424	-	-	542
Interest accrued but not due on borrowings	-	224	-	-	-	224
Interest accrued and due on borrowings	-	33	-	-	-	33
Mark to market on derivatives	-	-	-	11	-	11
Capital Creditors	-	2,428	-	-	-	2,428
Share application money pending allotment	-	117	-	-	-	117
Trades and other payables						
Trades payables	209	117				326

Year ended 1 April 2015	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than preference shares)						
Term loan from Banks	-	-	-	692	1,240	1,932
Loans from Financial Institutions	-	-	-	1,677	4,502	6,179
Buyer's credit	-	-	-	1,193	-	1,193
Convertible preference shares	-	-	-	-	165	165
Short term borrowings						
Loans from related party	411	-	-	-	-	411
Other financial liabilities						
Current maturities of long term borrowings	-	118	405	-	-	523
Interest accrued but not due on borrowings	-	80	-	-	-	80
Mark to market on derivatives	-	-	-	28	-	28
Capital Creditors	-	1,319	-	-	-	1,319
Trades and other payables						
Trades payables	87	56	-	-	-	143

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37 Capital management

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

The respective companies under the Restricted Group manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

The policy of the respective companies under the Restricted Group is to keep the gearing ratio to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. In the construction phase the Group manages the ratio at 3:1 through internal funding.

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

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2017.

38 Contingent liabilities and commitments
(to the extent not provided for)

(i) Contingent liabilities
There are no contingent liabilities as on 31 March 2017 (31 March 2016: Nil ; 1 April 2015: Nil)

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2017, the Restricted Group has capital commitment (net of advances) pertaining to commissioning of wind energy projects of INR 2,053 (31 March 2016: 4,704 ; 1 April 2015: 5,736).

39 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 2017	As at 31 March 2016
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	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	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) 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

40 Corporate social responsibility expenditure

(a) Gross amount required to be spent by the companies under the Restricted Group during the year is INR 9 (31March 2016: INR 4).
(b) Amount spent during the year 31 March 2017 (31 March 2016):

List of CSR activities	In Cash	Yet to be paid	Total
i) Construction / Acquisition of any asset	Nil	Nil	Nil
ii) On the purposes other than (i) above	7 (2)	2 (2)	9 (4)
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.			

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

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41 Significant accounting judgments, estimates and assumptions

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

(i) Judgments

In the process of applying the accounting policies, management has made the following judgments, which have significant effect on the amounts recognised in the Restricted Group's

Service concession arrangements

The analysis on whether 'Service Concession Arrangements' i.e. Appendix A to Ind AS 11 applies to contracts and activities involves various complex factors and is significantly affected by legal interpretation of certain contractual agreements or other terms and conditions with public sector entities.

Therefore, the application of 'Service Concession Arrangements' requires extensive judgment in relation with, amongst other factors, (i) the identification of certain infrastructures (and not contractual agreements) in the scope of 'Service Concession Arrangements', (ii) the understanding of the nature of the payments in order to determine the classification of the infrastructure as a financial asset or as an intangible asset and (iii) the recognition of the revenue from construction and concessionary activity.

Changes in one or more of the factors described above may significantly affect the conclusions as to the appropriateness of the application of 'Service Concession Arrangements' and, therefore, the results of operations or our financial position.

The respective companies under the Restricted Group obtains ready to use assets in which the profit margin for construction of the asset is already embedded in the cost by the respective suppliers of goods and services. The consideration paid for acquiring such assets has been recognised as an intangible asset following the guidance from Appendix A to Ind AS 11. The amount of revenues for these services are equal to the amount of costs incurred, as the respective companies under the Restricted Group does not obtain any profit margin for these construction services. The amount paid are set at market values. There is no profit margin stemming from these construction services.

(ii) 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 respective companies under the Restricted Group based their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the respective companies under the Restricted Group. Such changes are reflected in the assumptions when they occur.

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.

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 28 and 30 for further disclosures.

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.

Estimate of profit margin on service concession arrangements

The respective companies under the Restricted Group obtain ready to use assets in which the profit margin for construction of the asset is already embedded in the cost. The profit margin is received by the vendor/ contractor/ service provider and not by respective entities under the Restricted Group.

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42 First Time Adoption of Ind AS

The special purpose combined financial statements of the Restricted Group have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accounts of India.

The items in the Special Purpose Combined Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements.

The Management has prepared the special purpose Combined financial statements which comprise the Combined Balance Sheet as at 1 April 2015 (transition date balance sheet), as at 31 March 2016 and as at 31 March 2017, the Combined Statement of Profit and Loss, Combined Statement of Cash Flows and Combined Statement of Changes in Equity for the year ended 31 March 2016 and for the year ended 31 March 2017 and a summary of the significant accounting policies and other explanatory information.

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

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

The Special Purpose Combined financial statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance.

This note explains the principal adjustments made by the respective companies under the Restricted Group in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

A Exemptions Applied:-

Ind AS 101 First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from the retrospective application of certain Ind AS.
The companies under the Restricted Group have applied the following exemptions:

I Property, Plant and Equipment

Freehold land, plant and equipment, office equipment, computers, furniture and fixtures and intangible assets (other than assets under service concession agreements - Ind AS 11 Construction Contracts) were carried in the balance sheet prepared in accordance with Previous GAAP on the basis of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The companies under the Restricted Group have elected to regard those values of assets as deemed cost at the transition date.

II Intangible assets (service concession arrangements)

The companies under the Restricted Group have used the exemption given under Ind AS 101 and accordingly has not applied the measurement requirements of Appendix A of Ind AS 11 retrospectively.

Following treatment has been done as at the date of transition:

- Recognize intangible assets that existed at the start of earliest period presented.
- Used the previous carrying amount as the carrying amount at that date irrespective of their earlier classification.

The companies forming part of restricted group consider it is impracticable to apply Appendix A to Ind AS 11 retrospectively.

III Leases

a) As per the requirements of IGAAP, evaluation of Appendix C under Ind AS 17 was not required. Also, there was no requirement under IGAAP for evaluation of land under lease. As per Ind AS 101, the respective companies under the Restricted Group have applied the transitional provision in Appendix C of Ind AS 17 to determine whether an arrangement contains a Lease and has assessed all arrangements based upon the conditions in place as at the date of transition except where the effect is expected to be not material.

B The following mandatory exceptions have been applied:

I Estimates

a) The Restricted Group's estimates in accordance with Ind AS at the date of transition to Ind ASs are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

b) Ind AS 101 treats the information received after the date of transition to Ind AS as non-adjusting events. The entity shall not reflect that new information in its opening Ind AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

II Hedge Accounting

The Group uses derivative financial instruments, such as cross currency interest rate swaps to hedge its foreign currency risks and interest rate risks. Under Indian GAAP, there is no mandatory standard that deals comprehensively with hedge accounting, which has resulted in the adoption of varying practices. The Group has designated various economic hedges and applied economic hedge accounting principles to avoid profit or loss mismatch. All the hedges designated under Indian GAAP are of types which qualify for hedge accounting in accordance with Ind AS 109 also. Moreover, the group, before the date of transition to Ind AS, has designated a transaction as hedge and also meets all the conditions for hedge accounting in Ind AS 109. Consequently, the Restricted Group continues to apply hedge accounting after the date of transition to Ind AS.

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Restricted Group
Special Purpose Combined Reconciliation of Equity as at 31 March 2016
(Amounts in INR million, except share and per share data, unless otherwise stated)

	Note	As per previous GAAP as at 31 March 2016*	Adjustments	Ind AS as at 31 March 2016
Assets				
Non-current assets				
Property, plant and equipment	A	19,699	(10,417)	9,282
Capital Work in Progress	A	2,290	(1,437)	853
Intangible assets	A	-	10,521	10,521
Intangible assets under development	A	-	1,448	1,448
Financial assets				
Loans		1	-	1
Others		161	-	161
Deferred tax assets (net)	D,F	-	179	179
Prepayments		7	-	7
Other non-current assets	E	3,128	(300)	2,828
Total Non-current assets		**25,286**	**(6)**	**25,280**
Current assets				
Financial assets				
Trade receivables		939	-	939
Cash and cash equivalent		1,650	-	1,650
Bank balances other than cash and cash equivalent		1,179	-	1,179
Derivative instruments		86	-	86
Others		445	-	445
Prepayments		18	-	18
Other Current Assets	E	215	(32)	183
Total Non-current assets		**4,532**	**(32)**	**4,500**
Total assets		**29,818**	**(38)**	**29,780**
Equity and liabilities				
Equity				
Equity share capital	B,C	453	(102)	351
Other equity				
Equity component of preference shares	B,C,F	484	778	1,262
Equity component of compulsory convertible debentures	D,F	-	79	79
Share premium	B,C	6,084	(921)	5,163
Hedging Reserve	F	(87)	27	(60)
Retained earnings		768	(160)	608
Total equity		**7,702**	**(299)**	**7,403**
Non-current liabilities				
Financial liabilities				
Long term borrowings	B,E	16,331	(87)	16,244
Deferred tax liabilities (net)	D,F	6	127	133
Other non-current liabilities	H	-	183	183
Total Non-current liabilities		**16,337**	**223**	**16,560**
Current liabilities				
Financial liabilities			-	
Short-term borrowings		2,097	-	2,097
Trade payables		273	53	326
Derivative instruments		11	-	11
Other current financial liabilities	E	3,378	(34)	3,344
Other Current Liabilities	H	20	19	39
Total Current liabilities		**5,779**	**38**	**5,817**
Total liabilities		**22,116**	**261**	**22,377**
Total Equity And Liabilities		**29,818**	**(38)**	**29,780**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements

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Restricted Group
Special Purpose Combined Reconciliation of Total Other Comprehensive Income as at 31 March 2016
(Amounts in INR million, except share and per share data, unless otherwise stated)

	Notes	As per previous GAAP for the year ended 31 March 2016*	Adjustments	Ind AS for the year ended 31 March 2016
Income:				
Revenue from operations	G	2,565	8,494	11,059
Other income		256	-	256
Exceptional items		519	-	519
Total income		**3,340**	**8,494**	**11,834**
Expenses:				
Other Expenses	H	322	8,548	8,870
Earning before interest, tax, depreciation and amortization (EBITDA)		**3,018**	**(54)**	**2,964**
Depreciation and amortization expense (net)	A	829	(69)	760
Finance Costs	B,D,E	1,386	27	1,413
Profit before tax		**803**	**(12)**	**791**
Tax Expense				
Current tax		95	-	95
Deferred tax	D,F	4	19	23
Earlier year tax		2	-	2
Profit for the year		**702**	**(31)**	**671**
Other Comprehensive Income				
Items that will be reclassified to profit or loss in subsequent periods:				
Net movement on cash flow hedges		-	57	57
Income tax effect		-	(17)	(17)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	F	-	40	40
Total comprehensive income for the year	I	**702**	**(71)**	**631**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements

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Restricted Group

Special Purpose Combined Reconciliation of Equity as at 31 March 2015

(Amounts in INR million, except share and per share data, unless otherwise stated)

	Note	As per previous GAAP as at 1 April 2015*	Adjustments	Ind-AS as at 1 April 2015
Assets				
Non-current assets				
Property, plant and equipment	A	10,700	(1,051)	9,649
Capital Work in Progress	A	2,822	(2,631)	191
Intangible assets	A	-	1,051	1,051
Intangible assets under development	A	-	2,631	2,631
Financial assets				
Loans		1	-	1
Others		180	-	180
Deferred tax assets (net)	F	-	122	122
Prepayments		12	-	12
Other non-current assets	E	1,512	(158)	1,354
Total Non-Current assets		**15,227**	**(36)**	**15,191**
Current assets				
Financial assets				
Trade receivables		220	-	220
Cash and cash equivalent		580	-	580
Bank balances other than cash and cash equivalent		724	-	724
Others		579	-	579
Prepayments		12	-	12
Other Current Assets	E	117	(14)	103
Total Current assets		**2,232**	**(14)**	**2,218**
Total assets		**17,459**	**(50)**	**17,409**
Equity and liabilities				
Equity				
Equity share capital	B,C	384	(74)	310
Other equity				
Equity component of preference shares	B,C,F	142	569	711
Share application money pending allotment		227	-	227
Share premium	B,C	4,663	(668)	3,995
Hedging Reserve	F	(30)	10	(20)
Retained earnings		66	(129)	(63)
Total equity		**5,452**	**(292)**	**5,160**
Non-current liabilities				
Financial liabilities				
Long term borrowings	B,E	9,449	20	9,469
Deferred tax liabilities (net)	F	2	68	70
Other non-current liabilities	H	2	155	157
Total Non-Current Liabilities		**9,453**	**243**	**9,696**
Current liabilities				
Financial liabilities				
Short-term borrowings		411	-	411
Trade payables		143	-	143
Derivative instruments		28	-	28
Other current financial liabilities	E	1,936	(14)	1,922
Other Current Liabilities	H	36	13	49
Short term provisions		0	-	0
Total Current Liabilities		**2,554**	**(1)**	**2,553**
Total liabilities		**12,007**	**242**	**12,249**
Total Equity And Liabilities		**17,459**	**(50)**	**17,409**

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements

A Intangible assets under power purchase agreements

As per the Appendix A to Ind AS 11 'Construction contracts', an operator providing a public service such as the generation of electricity shall recognise an intangible asset to the extent that it receives a right (a license) to charge users of the public service. The respective companies under the Restricted Group to which service concession arrangements are applicable obtain ready to use assets in which the profit margin for construction of the asset is already embedded in the cost. The consideration paid for acquiring such assets has been recognised as an intangible asset following the guidance from Appendix A to Ind AS 11.

The Group has recognised the acquired right to charge the users under service concession arrangements as "License" by reclassifying the amount of "Property, plant and equipment" and "Capital-work-in-progress" to "Intangible assets" and Intangible assets under development" respectively. The Restricted Group has availed the deemed cost exemption provided in Ind AS 101. As on transition date INR 1,051 (31 March 2016: INR 10,417) has been reclassified to "Intangible Assets - Service Concession" from property, plant and equipment and INR 2,631 (31 March 2016: INR 1,437) has been reclassified from capital work in progress to intangible assets under development.

Depreciation and amortization

The useful life of property, plant and equipment as per Indian GAAP was estimated to be 18 years based on internal technical assessment of the management. However, such property, plant and equipment has been derecognized under Ind AS and an intangible asset has been recorded as a right to receive consideration for providing services in a service concession arrangements.

In accordance with Ind AS 36, the intangible asset is amortised over the period in which it is expected to be available for use by the operator which is 25 years. This increase in useful life reduces the depreciation and amortization expense by INR 69 in current year.

B Redeemable non-cumulative preference shares

Certain companies in the Restricted Group have issued redeemable non-cumulative preference shares. The preference shares carry fixed non-cumulative dividend which is discretionary in nature. Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit. Under Ind AS, redeemable non-cumulative preference shares are separated into liability and equity components based on the terms of the contract. Accordingly an amount of INR 127 and INR 54 was reclassified from equity and recorded as a liability under Long-term borrowings in the Balance Sheet as on transition date and 31 March 2016 respectively.

Deferred tax liability of INR 46 and INR 16 created as on transition date and as at 31 March 2016 respectively, on these instruments has been reduced from the equity component. Subsequent to inception deferred tax has been created/ reversed from Statement of Profit and Loss.

Interest on the liability component is recognised using the effective interest method. As on 1 April 2015 INR 38 and during the year ending 31 March 2016 INR 21 was debited to finance costs, being the interest accrued on the liability component for the year. An amount of INR 5 being interest eligible for capitalisation was capitalised.

C Compulsorily convertible preference shares

Certain companies in the Restricted Group have issued compulsorily convertible preference shares. The preference shares carry fixed non-cumulative dividend which is discretionary in nature. Under Indian GAAP, the preference shares were classified as equity and dividend payable thereon was treated as distribution of profit. Under Ind AS, these preference shares have been presented under 'Other Equity'.

D Compulsory convertible debentures

Certain companies under the Restricted Group have issued certain Compulsory Convertible Debentures. Under Indian GAAP these were being classified under long term borrowings. Under Ind AS, Compulsory Convertible Debentures are separated into liability and equity components based on the terms of the contract. Accordingly as on transition date, an amount of INR 61 was reclassified from long term borrowings and recorded as equity component in the Balance Sheet. Deferred tax asset created on inception on these instruments amounts to INR 18 which has been taken to the equity component. Subsequent to inception deferred tax has been created/ reversed from Statement of Profit and Loss.

Interest on the liability component is recognised using the effective interest method. During the year ending 31 March 2016 an amount of INR 1 was debited to finance costs, being the interest accrued on the liability component for the year and INR 10 was capitalised under intangible assets.

E Long-term borrowings

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction costs/fees that are directly related to the origination of the borrowings and are an integral part of the effective interest rate are included in the carrying amount of the loan and charged to profit or loss using the effective interest method.

Applying the effective interest rate method, the differential amortisation amounting to INR 15 as at the date of transition has been recognised as an adjustment to Opening Retained Earnings. Subsequent to the date of transition the amortisation of the transaction costs is recognised in the Statement of Profit and Loss as finance costs amounting to INR 4.

The companies under the Restricted Group have recognised debt modifications agreed with lenders to restructure their existing debt obligations. The exchange of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The unamortised costs in respect of such loan facilities have been carried forward to the new loan or charged to profit and loss basis the quantitative analysis of impact on cash flows.

F Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12, "Income taxes" requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12, has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. The deferred tax has been thus computed on compound financial instruments, loans and borrowings and hedge instrument. The deferred tax for hedge instruments has been recognised in other comprehensive income.

In addition, the various transitional adjustments lead to additional temporary differences. According to the accounting policies, the group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the net impact on deferred tax assets is of INR 122 (31 March 2016: INR 179) and on deferred tax liabilities is of INR 68 (31 March 2016: INR 127). On the date of transition, cash flow hedge reserve was debited by INR 10 and net movement of INR 40 during the year ended on 31 March 2016 was recognized in OCI and subsequently taken to cash flow reserve.

G Revenue from operations

The Restricted Group has recognized construction revenue of INR 8,494 based on Percentage of Completion Method (POCM) for projects identified as within the scope of Appendix A to Ind AS 11, "Construction contracts", there is no equivalent guidance under the Indian GAAP.

S.R. BATLIBOI & CO. LLP
GURGAON

H Other expenses

Construction cost amounting to INR 8,494 has been recognized based on Percentage of Completion Method (POCM) for the projects identified as within the scope of Appendix A to Ind AS 11, "Construction contracts", there is no equivalent guidance under the Indian GAAP.

Additional management shared services cost of INR 50 pertaining to fair value of employee stock options was charged to the companies forming part of restricted group for the year ended 31 March 2016. The Parent has accounted the employee stock options at fair value under Ind AS which was accounted for at intrinsic value under Indian GAAP. Out of this, INR 30 was capitalised in the cost of capital work in progress and intangible assets under development and remaining is charged to the statement of profit and loss.

The companies forming part of Restricted Group has straight lined contractual operation and maintenance cost for the term of such contract over free operation and maintenance period which ranges from 2 to 2.75 years.

I Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

J Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

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

S.R. BATLIBOI & CO LLP GURGAON

per Amit Chugh
Membership No.: 505224

Place: Gurugram
Date: 28/6/2017

For and on behalf of the Restricted Group

Whole Time Director & CEO
(Sumant Sinha)
DIN- 00972012
Place: Gurugram
Date: 28/6/2017

Director
(Vaishali Nigam Sinha)
DIN- 02299472
Place: Gurugram
Date: 28/6/2017

Chief Financial Officer
(Ravi Seth)

Place: Gurugram
Date: 28/6/2017

Company Secretary
(Ashish Jain)
Membership No.: F6508
Place: Gurugram
Date: 28/6/2017