

Restricted Group
Combined Balance Sheet as at 31 March 2021
(Amounts in INR millions, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	48,830	26,979
Capital work in progress	4	2	14,194
Goodwill	5	5,144	5,144
Other intangible assets	5	10,860	11,397
Right of use assets	6	161	102
Financial assets			
Investment	7	616	370
Loans	7	1	2
Others	7	0	0
Deferred tax assets (net)	8	846	204
Prepayments	9	35	21
Other non-current assets	10	18	656
Non current tax assets (net)		209	158
Total non-current assets		66,722	59,227
Current assets			
Inventories	11	12	21
Financial assets			
Loans	7	10,951	9,227
Trade receivables	12	4,525	3,077
Cash and cash equivalent	13	828	1,324
Bank balances other than cash and cash equivalent	13	632	1,123
Others	7	1,862	1,292
Prepayments	9	63	16
Other current assets	10	661	12
Total current assets		19,534	16,092
Total assets		86,256	75,319
Equity and liabilities			
Equity			
Equity share capital	14A	5,737	5,721
Instruments entirely equity in nature	14B	3,729	3,729
Other equity			
Equity component of compulsorily convertible debentures	15A	336	336
Securities premium	15B	4,302	4,118
Debenture redemption reserve	15C	58	72
Retained earnings	15D	120	610
Parent's contribution	15E	11,981	11,981
Total equity		26,263	26,567
Non-current liabilities			
Financial liabilities			
Long-term borrowings	16	36,402	32,942
Lease liabilities	17	2	0
Long-term provisions	18	2,628	-
Deferred tax liabilities (net)	8	2,861	2,453
Other non-current liabilities	19	379	484
Total non-current liabilities		42,272	35,879
Current liabilities			
Financial liabilities			
Short-term borrowings	20	5,962	3,530
Trade payables			
Others	21	1,160	605
Lease Liabilities	17	0	0
Other current financial liabilities	22	10,390	8,578
Other current liabilities	23	135	134
Current tax liabilities (net)		74	26
Total current liabilities		17,721	12,873
Total liabilities		59,993	48,752
Total equity and liabilities		86,256	75,319

Summary of significant accounting policies 3

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

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

For and on behalf of the Restricted Group

per Amit Chugh
Partner
Membership No.: 505224
Place: Gurugram
Date: XXXXXXXX

Sumant Sinha
(Chairman & Managing Director)
DIN- 00972012
Place: Gurugram
Date: XXXXXXXX

D. Muthukumaran
(Chief Financial Officer)
Place: Gurugram
Date: XXXXXXXX

Ashish Jain
(Company Secretary)
Membership No.: F6508
Place: Gurugram
Date: XXXXXXXX

Restricted Group**Combined Statement of Profit and Loss for the nine months year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income:			
Revenue from operations	24	5,134	5,321
Other income	25	1,122	1,035
Total income		6,256	6,356
Expenses:			
Other expenses	26	849	701
Total expenses		849	701
Earning before interest, tax, depreciation and amortisation (EBITDA)		5,407	5,655
Depreciation and amortisation expense	27	1,857	1,810
Finance costs	28	4,212	3,508
Profit before tax		(662)	337
Tax expense			
Current tax	8	74	123
Deferred tax	8	(233)	304
Adjustment of tax related to earlier years		1	0
Profit for the year	(a)	(504)	(90)
Other comprehensive income (OCI)	(b)	-	-
Total comprehensive income for the year	(a) + (b)	(504)	(90)

Summary of significant accounting policies

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For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

For and on behalf of the Restricted Group**per Amit Chugh**

Partner

Membership No.: 505224

Place: Gurugram

Date: XXXXXXXX

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(Chief Financial Officer)

Place: Gurugram

Date: XXXXXXXX

Ashish Jain

(Company Secretary)

Membership No.: F6508

Place: Gurugram

Date: XXXXXXXX

Restricted Group**Combined Statement of Cash Flows for the nine months year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	(662)	337
Adjustments for:		
Depreciation and amortisation expense	1,857	1,810
Operation and maintenance reserve	(119)	(84)
Impairment allowance for bad and doubtful debts	57	-
Interest income	(679)	(553)
Interest expense	4,191	3,388
Unamortised ancillary borrowing cost written off	1	111
Loss on sale of property, plant & equipments	-	-
Operating profit before working capital changes	4,646	5,009
Movement in working capital		
(Increase)/decrease in trade receivables	(1,502)	(764)
(Increase)/decrease in inventories	9	(21)
(Increase)/decrease in other current financial assets	(9)	(47)
(Increase)/decrease in other current assets	(621)	(1)
(Increase)/decrease in prepayments	(60)	(9)
(Increase)/decrease in other non-current assets	-	66
Increase/(decrease) in other liabilities	-	(4)
Increase/(decrease) in other current liabilities	15	(40)
Increase/(decrease) in trade payables	555	279
Increase/(decrease) in financial liabilities	547	0
Cash generated from operations	3,580	4,468
Direct taxes paid (net of refunds)	(74)	(262)
Net cash generated from operating activities	3,506	4,206
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress, intangibles, capital creditors and capital advances	(5,001)	(7,576)
Redemption/(Investments) of bank deposits having residual maturity more than 3 months	491	(740)
Loan given to related parties	(1,725)	(4,849)
Loan repaid by related parties	-	2,420
Loan to fellow subsidiaries - redeemable non cumulative preference shares	-	-
Investment in fellow subsidiaries	(246)	-
Share application money refunded to subsidiaries	-	-
Share application money refunded by subsidiaries	-	-
Interest received	115	116
Investment in mutual funds redeemed/(made)	-	-
Net cash used in investing activities	(6,366)	(10,629)
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	200	2,003
Proceeds from issue of preference shares (including premium) (net of share issue expenses)	-	3,729
Proceeds from issue of debentures	-	-
Shares application money received	-	-
Share application money received	-	-
Proceeds from issue of preference shares (including premium) (net of share issue expenses)	-	-
Proceeds from long-term borrowings	3,072	7,999
Repayment of long-term borrowings	-	(3,516)
Proceeds from short-term borrowings	2,432	672
Repayment of short-term borrowings	-	(1,865)
Payment related to leases (including payment of interest expense on lease liabilities)	(0)	(0)
Interest paid	(3,340)	(3,506)
Net cash generated from financing activities	2,364	5,516
Net (decrease) / increase in cash and cash equivalents	(496)	(907)
Cash and cash equivalents at the beginning of the year	1,324	2,231
Cash and cash equivalents at the end of the period	828	1,324
Components of cash and cash equivalents		
Balances with banks:		
- On current accounts	828	1,324
Total cash and cash equivalents	828	1,324

Restricted Group**Combined Statement of Cash Flows for the nine months year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

Changes in liabilities arising from financial activities:

Particulars	Opening balance as at 1 April 2020	Cash flows (net)	Other changes*	Closing balance as at 31 March 2021
Long-term borrowings (including current maturities)	37,939	3,072	2	41,013
Short-term borrowings	3,530	2,433	(1)	5,962
Total liabilities from financing activities	41,469	5,505	1	46,975

Particulars	Opening balance as at 1 April 2019	Cash flows (net)	Other changes*	Closing balance as at 31 March 2020
Long-term borrowings (including current maturities)	33,358	4,483	99	37,940
Short-term borrowings	4,723	(1,193)	-	3,530
Total liabilities from financing activities	38,081	3,290	99	41,470

* other changes includes adjustment of ancillary borrowing cost

Refer note 30 for movement in lease liabilities.

Summary of significant accounting policies

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Notes:

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

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

As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

For and on behalf of the Restricted Group**per Amit Chugh**

Partner

Membership No.: 505224

Place: Gurugram

Date: XXXXXXXX

Sumant Sinha

(Chairman & Managing Director)

DIN- 00972012

Place: Gurugram

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D. Muthukumaran

(Chief Financial Officer)

Place: Gurugram

Date: XXXXXXXX

Ashish Jain

(Company Secretary)

Membership No.: F6508

Place: Gurugram

Date: XXXXXXXX

Restricted Group
Combined Statement of changes in equity for the nine months year ended 31 March 2021
(Amounts in INR millions, unless otherwise stated)

Particulars	Attributable to the equity holders of entities forming part of the Restricted Group						Parent's contribution (refer note 15E)	Total equity
	Equity share capital* (refer note 14A)	Equity component of compulsorily convertible debentures (refer note 15A)	Instruments entirely equity in nature# (refer note 14B)	Reserves and surplus#				
				Securities premium (refer note 15B)	Debenture redemption reserve (refer note 15C)	Retained earnings (refer note 15D)		
At 1 April 2019	5,423	336	-	2,413	90	682	11,981	20,912
Loss for the year	-	-	-	-	-	(90)	-	(9)
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(90)	-	(9)
Equity shares issued during the year	298	-	-	1,705	-	-	-	2,003
Preference shares issued during the year	-	-	3,729	-	-	-	-	3,729
Amount transferred from debenture redemption reserve	-	-	-	-	(18)	18	-	-
At 31 March 2020	5,721	336	3,729	4,118	72	610	11,981	26,567
Profit for the year	-	-	-	-	-	(504)	-	(50)
Total comprehensive income	-	-	-	-	-	(504)	-	(50)
Equity shares issued during the year	16	-	-	184	-	-	-	200
Amount transferred from debenture redemption reserve	-	-	-	-	(14)	14	-	-
At 31 March 2021	5,737	336	3,729	4,302	58	120	11,981	26,223

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

Instruments entirely equity in nature and reserves and surplus represents the aggregate amount of Restricted Group entities as at the respective period ends

Summary of significant accounting policies

3

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

As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

For and on behalf of the Restricted Group

per Amit Chugh

Partner

Membership No.: 505224

Place: Gurugram

Date: XXXXXXXX

Sumant Sinha

(Chairman & Managing

DIN- 00972012

Place: Gurugram

Date: XXXXXXXX

D. Muthukumaran

(Chief Financial Officer)

Place: Gurugram

Date: XXXXXXXX

Ashish Jain

(Company Secretary)

Membership No.: F650

Place: Gurugram

Date: XXXXXXXX

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land#	Plant and equipment	Office equipment	Furniture & fixtures	Computers	Total property, plant and equipment	Capital work in progress*
Cost							
At 1 April 2019	713	28,955	1	1	1	29,671	3,896
Additions during the year@	-	11	0	-	1	12	10,309
Disposals during the year	-	-	-	-	(0)	(0)	(11)
At 31 March 2020	713	28,966	1	1	2	29,683	14,194
Additions during the year@	186	22,975	-	0	1	23,162	6,216
Capitalised during the year	-	-	-	-	-	-	(20,408)
At 31 March 2021	899	51,941	1	1	3	52,845	2
Accumulated depreciation							
At 1 April 2019	-	1,437	0	0	0	1,437	-
Charge For the year (refer note 27)	-	1,265	1	0	1	1,267	-
Disposals during the year	-	-	-	-	(0)	(0)	-
At 31 March 2020	-	2,702	1	0	1	2,704	-
Charge For the year (refer note 27)	-	1,311	0	0	0	1,311	-
At 31 March 2021	-	4,013	1	0	1	4,015	-
Net book value							
At 1 April 2019	713	27,518	1	1	1	28,234	3,896
At 31 March 2020	713	26,264	0	1	1	26,979	14,194
At 31 March 2021	899	47,928	0	1	2	48,830	2

Title deeds amounting to INR 61 (31 March 2020: INR 31) is not yet in the name of entities forming part of Restricted Group. However, the entities forming part of Restricted Group is in the process of getting these title deeds registered in its favour.

@ Capitalised borrowing Costs

The amount of borrowing costs capitalised in the property, plant and equipment assets and Capital work in progress during the year ended 31 March 2021 is INR XXX (31 March 2020 INR: 586). The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

Mortgage and hypothecation on Property, plant and equipment:

Property, plant and equipment with a carrying amount of INR 48,831 (31 March 2020: INR 41,173) are subject to a pari passu first charge to respective lenders for term loans from banks and financial institutions and buyer's credit as disclosed in Note 16.

***Capital work in progress**

Capital work in progress comprises of expenditure with respect to construction of wind power plants.

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

5 Other intangible assets	Computer software	Customer contracts	Total intangibles	Goodwill
Cost				
At 1 April 2019	1	12,471	12,472	5,144
At 31 March 2020	<u>1</u>	<u>12,471</u>	<u>12,472</u>	<u>5,144</u>
At 31 March 2021	<u><u>1</u></u>	<u><u>12,471</u></u>	<u><u>12,473</u></u>	<u><u>5,144</u></u>
Amortisation				
At 1 April 2019	0	538	538	-
Amortisation For the year (refer note 27)	0	537	537	-
At 31 March 2020	<u>0</u>	<u>1,075</u>	<u>1,075</u>	<u>-</u>
Amortisation For the year (refer note 27)	0	536	536	-
At 31 March 2021	<u><u>1</u></u>	<u><u>1,611</u></u>	<u><u>1,611</u></u>	<u><u>-</u></u>
Net book value				
At 1 April 2019	1	11,933	11,934	5,144
At 31 March 2020	<u>1</u>	<u>11,396</u>	<u>11,397</u>	<u>5,144</u>
At 31 March 2021	<u><u>1</u></u>	<u><u>10,860</u></u>	<u><u>10,860</u></u>	<u><u>5,144</u></u>

Mortgage and hypothecation on Customer contracts

Customer contracts with a carrying amount of INR 10,992 (31 March 2020: INR 11,396) are subject to a pari passu first charge to respective lenders for term loans from banks and financial institutions and non-convertible debentures as disclosed in Note 16.

Impairment of goodwill:

The Parent has recognised Goodwill in its consolidated financial statements on acquisition of entities forming part of restricted group. The goodwill attributable to the entities forming part of restricted group has been reflected in Combined financial statements of Restricted Group in accordance with requirement of the Guidance Note. For the purpose of impairment testing in Combined financial statements of Restricted Group, relevant data and information used by Parent for impairment testing of goodwill in its Consolidated financial statements, to the extent attributable to the entities forming part of restricted group has been considered for the disclosure include below:

Below is the break-up of group of cash generating units and individual cash generating units wise goodwill:

Group of CGU / Individual CGU	31-Dec-20	31-Mar-20
CGU 1 (Wind Power Segment)		
Goodwill	4,716	4,716
CGU 2 (Solar Power Segment)		
Goodwill	428	428

The entities forming part of Restricted Group undertook the impairment testing of Goodwill assigned to each Group of CGU and Individual CGU as at 31 March 2020 applying value in use approach across all the entities forming part of Restricted Group CGUs and individual CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (25 years) using a discount rate range of 11.40 % (pre tax) per annum for the impairment test as on 31 March 2020. The entities forming part of Restricted Group have used financial projections over the remaining life of the PPAs as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use of each Group of CGU and individual CGU after adjusting the carrying values of property, plant and equipment's and intangible assets was more than carrying value of Goodwill by INR 1,982 (31 March 2019: INR 3,438) and accordingly no impairment loss provision has been recognised in the statement of profit or loss.

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

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

The key assumptions used in the value in use calculations for each group of CGU and individual CGU unit are as follows:

- | | |
|---|---|
| (i) Discount rate: [Pre tax Weighted Average Cost of Capital (WACC)] | 11.40 % per annum as on 31 March 2020 discount rate has been derived based on current cost of borrowing and equity rate of return based on the current market expectations. |
| (ii) Plant load factor (PLF) | Plant load factor for future periods are estimated for each group of CGU and individual CGU based on report from expert. |
| (iii) Collection of revenue as per PPA rate and GBI benefit in acquired projects located in Andhra Pradesh state will be realised as per the projections and would not be impacted by the ongoing legal proceedings because management believes that matter will be concluded in favour of entities forming part of the Restricted Group as mentioned in Note 43. | |

The assumptions explained above are consistent for each group of CGU and individual CGU to which Goodwill is allocated.

Breakeven sensitivity:

	31-Mar-20	31-Mar-19
Plant load factor (PLF)	If reduced by 2.94%	If reduced by 5.55%
Discount rate: (Pre tax WACC)	12.02%	12.44%

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

6 Right of use assets

	<u>Leasehold land</u>	<u>Total</u>
Cost		
As at 1 April 2019 on account of adoption of Ind AS 116	<u>108</u>	<u>108</u>
At 31 March 2020	<u>108</u>	<u>108</u>
Additions during the year	<u>68</u>	<u>68</u>
At 31 March 2021	<u>176</u>	<u>176</u>
Accumulated depreciation		
Depreciation charged to profit and loss during the year (refer note 27)	<u>6</u>	<u>6</u>
At 31 March 2020	<u>6</u>	<u>6</u>
Depreciation charged to profit and loss during the year (refer note 27)	<u>9</u>	<u>9</u>
At 31 March 2021	<u>15</u>	<u>15</u>
Net book value		
At 31 March 2020	<u>102</u>	<u>102</u>
At 31 March 2021	<u>161</u>	<u>161</u>

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Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

7 Financial assets	As at 31 March 2021	As at 31 March 2020
Non current (unsecured, considered good unless otherwise stated)		
Financial assets at fair value through profit and loss		
Investment in unquoted equity shares of fellow subsidiary		
37,000,000 (31 March 2019 37,000,000) equity shares of INR 10 fully paid up in Ostro Dakshin Power Private Limited	370	370
GE India Industrial Private Limited	246	-
	616	370
Aggregate book value of unquoted investment	616	370
Financial assets at amortised cost		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Security deposits	1	2
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	1	2
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 13)	0	0
Total	0	0
Current (unsecured, considered good unless stated otherwise)		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Loan to fellow subsidiary - redeemable non cumulative preference shares (refer note 31)	552	552
Loans to related parties (refer note 31)	10,400	8,675
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	10,951	9,227
Others		
Government grants*		
- Generation based incentive receivable	203	259
Recoverable from related parties (refer note 31)	143	76
Interest accrued on fixed deposits	3	19
Interest accrued on loans to related parties (refer note 31)	1,514	938
Total	1,862	1,292

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

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

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

Restricted Group

Notes to Combined Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

9 Prepayments	As at 31 March 2021	As at 31 March 2020
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	35	21
Total	35	21
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	63	16
Total	63	16
10 Other assets		
	As at 31 March 2021	As at 31 March 2020
Non-current (unsecured, considered good unless otherwise stated)		
Capital advance	3	613
Security deposits	3	3
Balances with Government authorities	12	40
Total	18	656
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable	661	12
Balances with government authorities	-	0
Total	661	12
11 Inventories		
	As at 31 March 2021	As at 31 March 2020
Consumables and spares	12	21
Total	12	21
12 Trade receivables		
	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	4,579	3,077
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	4,579	3,077
Less: Impairment allowance for bad and doubtful debts (refer note 36)	(54)	-
Total	4,525	3,077
<p>No trade or other receivables are due from directors or other officers of the entities forming part of the Restricted Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.</p> <p>Trade receivables are non-interest bearing and are generally on terms of 7-60 days. Set out is the movement in the allowance for expected credit losses of trade receivables:</p>		
		Impairment allowance
As at 1st April 2020		-
Provision for expected credit losses for the year		54
As at 31st December 2020		54
13 Cash and cash equivalents		
	As at 31 March 2021	As at 31 March 2020
Cash and cash equivalents		
Balance with bank		
- On current accounts	828	1,324
Total	828	1,324
Bank balances other than cash and cash equivalents		
Deposits with		

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

- Remaining maturity for less than twelve months *#	632	1,123
- Remaining maturity for more than twelve months #	0	0
	<u>632</u>	<u>1,123</u>
Less: amount disclosed under financial assets (others) (Note 7)	(0)	(0)
Total	<u><u>632</u></u>	<u><u>1,123</u></u>

* Fixed deposits of INR 4 (31 March 2020: INR 44) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and as margin money for the purpose of letter of credit/bank guarantee.

The bank deposits have an original maturity period of 180 to 3652 days and carry an interest rate of 2.90% to 7.25% which is receivable on maturity.

Restricted Group

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

14 Share capital

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

Authorised share capital	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2019	56,86,15,500	5,686
Increase during the year	92,00,000	92
At 31 March 2020	<u>57,78,15,500</u>	<u>5,778</u>
At 31 March 2021	<u>57,78,15,500</u>	<u>5,778</u>
0.0001% optionally convertible redeemable preference shares of INR 10 each		
At 1 April 2019	4,82,72,000	483
At 31 March 2020	4,82,72,000	483
At 31 March 2021	<u>4,82,72,000</u>	<u>483</u>

Issued share capital	Number of shares	Amount
-----------------------------	-------------------------	---------------

14A Equity shares of INR 10 each issued, subscribed and paid up

At 1 April 2019	54,22,68,616	5,423
Shares issued during the year	2,97,92,515	298
At 31 March 2020	<u>57,20,61,131</u>	<u>5,721</u>
Shares issued during the year	16,00,000	16
At 31 March 2021	<u>57,36,61,131</u>	<u>5,737</u>

Terms/rights attached to equity shares

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

In the event of liquidation of entities forming part of the Restricted Group, the holders of equity shares of entities forming part of Restricted Group will be entitled to receive remaining assets of the respective entity, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders of the respective entity.

14B Instruments entirely equity in nature

0.0001% optionally convertible redeemable preference shares of INR 10 each	Number of shares	Amount
At 1 April 2019	-	-
Shares issued during the year	3,72,94,470	3,729
At 31 March 2020	<u>3,72,94,470</u>	<u>3,729</u>
At 31 March 2021	<u>3,72,94,470</u>	<u>3,729</u>

Terms/rights attached to preference shares

0.0001% optionally convertible redeemable preference shares (INR 100 each, including premium of INR 90) (OCRPS)

Renew Wind Energy (AP 2) Private Limited issued 37,294,470 0.0001% OCRPS during the year INR 10 each fully paid-up at a premium of INR 90 per share. OCRPS carry non-cumulative dividend @ 0.0001%. the Renew Wind Energy (AP 2) Private Limited declares and pays dividends in Indian rupees.

OCRPS do not carry voting rights and OCRPS would be in the event of conversion converted into Equity Shares of Renew Wind Energy (AP 2) Private Limited in the ratio of 1 equity shares : 1 preference shares.

In the event of Liquidation of the Renew Wind Energy (AP 2) Private Limited., the holders of OCRPS shall be paid 1 times the face value of OCRPS and such dividend in arrear, if any, declared and remained unpaid.

14B Shares held by the Holding Company of entities forming part of Restricted Group

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
ReNew Power Private Limited*				
Equity shares of INR 10 each	1,93,96,490	194	1,77,96,490	178
0.0001% Optionally convertible redeemable preference shares of INR 10 each	3,72,94,470	373	3,72,94,470	373
Ostro Energy Private Limited*				
Equity shares of INR 10 each	52,10,91,564	5,211	52,10,91,564	5,211

*for details of relationship with the respective entities of the Restricted Group refer note 31.

14C Details of shareholders holding more than 5% shares in the Restricted Group

	As at 31 March 2021		As at 31 March 2020	
	Number	% Holding	Number	% Holding
Equity shares of INR 10 each				
Ostro Energy Private Limited*	52,10,91,564	90.84%	52,10,91,564	91.09%
Ostro Renewables Private Limited (fellow subsidiary)	3,31,73,077	5.78%	3,31,73,077	5.80%
0.0001% Optionally convertible redeemable preference shares of INR 10 each				
ReNew Power Private Limited*	3,72,94,470	100.00%	3,72,94,470	100%

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

*for details of relationship with the respective entities of the Restricted Group refer note 31.

14D No shares have been allotted without payment of cash or by way of bonus shares during the year of five years immediately preceding the balance sheet date.

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

15 Other equity

15A Equity component of compulsorily convertible debentures (CCD)

At 1 April 2019	336
At 31 March 2020	<u>336</u>
At 31 March 2021	<u><u>336</u></u>

15B Securities premium

At 1 April 2019	2,413
Premium on issue of equity shares during the year	1,705
At 31 March 2020	<u>4,118</u>
Premium on issue of equity shares during the year	184
At 31 March 2021	<u><u>4,302</u></u>

Nature and purpose

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

15C Debenture redemption reserve

At 1 April 2019	90
Debenture redemption reserve transferred to retained earnings during the year	(18)
At 31 March 2020	<u>72</u>
Debenture redemption reserve transferred to retained earnings during the year	(14)
At 31 March 2021	<u><u>58</u></u>

Nature and purpose

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

15D Retained earnings

At 1 April 2019	682
Loss for the year	(90)
Appropriation for debenture redemption reserve	18
At 31 March 2020	<u>610</u>
Profit for the year	(504)
Appropriation for debenture redemption reserve	14
At 31 March 2021	<u><u>120</u></u>

Nature and purpose

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

15E Parent's contribution

At 1 April 2019	11,981
At 31 March 2020	<u>11,981</u>
At 31 March 2021	<u><u>11,981</u></u>

Nature and purpose

The Parent has carried fair value adjustment to assets and liabilities (including deferred tax recognised) in its consolidated financial statements on acquisition of entities forming part of the restricted group. These fair value adjustment to assets and liabilities (including deferred tax recognised) has been reflected in the Combined financial statements of the Restricted Group in accordance with requirement of the Guidance Note with corresponding credit being recognised as Parent's contribution.

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Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

16 Long-term borrowings	Notes	Nominal interest rate %	Maturity	Non-current		Current	
				31 March 2021	31 March 2020	31 March 2021	31 March 2020
Non Convertible Debentures (secured)	(i)	9.41%	September 2030	906	1,020	114	106
Term loan from bank (secured)	(ii)	10.20% - 10.95%	March 2036 - December 2038	9,532	9,716	181	4,428
Term loan from financial institutions (secured)	(iii)	10.25% - 10.70%	September 2032 - March 2039	25,964	22,206	4,316	463
Total long-term borrowings				36,402	32,942	4,611	4,997
Amount disclosed under the head 'Other current financial liabilities' (Refer note 22)				-	-	(4,611)	(4,997)
				36,402	32,942	-	-

Notes:**(i) Non convertible debentures (secured)**

The debentures are secured by way of first pari passu charge on the respective entities forming part of the Restricted Group immovable properties, movable assets, current assets, cash accruals including but not limited to current assets, receivables, book debts, cash and bank balances, loans and advances etc. present and future.

(ii) Term loan from bank (secured)

Term loan from banks are 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 entities forming part of the Restricted Group.

(iii) Term loan from financial institutions (secured)

Term loan in Indian rupees from financial institutions are secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective entity forming part of the Restricted Group.

(iv) Term loan from financial institutions, banks and non convertible debentures are repayable in quarterly installments.

(v) The facility is covered by corporate guarantee of ReNew Power Private Limited, the ultimate holding company. The guarantee shall remain valid and in force till all security is created and perfected to the satisfaction of lenders.

(vi) Ostro Energy Private Limited has pledged as on 31 March 2021: 25,85,77,456 (31 March 2020: 38,38,84,779) equity shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(vii) ReNew Power Private Limited has pledged as on 31 March 2021: 1,69,74,998 (31 March 2020: 1,57,58,998) equity shares and as on 31 March 2021: 3,11,25,000 (31 March 2020: 3,11,25,000) preference shares of the entities forming part of the Restricted Group in favour of security trustee on behalf of lenders.

(viii) As per terms of agreement, the original maturity date of loan was 30 May 2020. Against the original maturity date, the Ostro Mahawind Power Private Limited has applied for moratorium with lender till 30 September 2020 under "Reserve Bank of India's COVID 19 - Regulatory Package dated 27 March 2020". The moratorium has been approved by bank via approval letter dated 08 May 2020. Further extension has been approved letter date 28 August 2020.

Company Name	Lender	Moratorium Availed On		Original Due Date	Actual Payment Date
		Principal	Interest		
Ostro Mahawind Power Private Limited	Barclays Bank Plc.	4,165	-	31-May-20	30-Sep-20

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
17 Lease liabilities		
Non-current		
Lease liabilities (refer note 30)	2	0
Total	2	0
Current		
Lease liabilities (refer note 30)	0	0
Total	0	0
18 Long-Term Provisions		
Provision for decommissioning costs	2,628	-
Total	2,628	-
		Provision for Decommissioning costs
As at 1st April 2020		-
Arised during the year		2,567
Unwinding of discount and changes in discount rate		61
As at 31st December 2020		2,628
Decommissioning costs		
Provision has been recognised for decommissioning costs associated with premises taken on leases wherein the entities forming part of the Restricted Group is committed to decommission the site as result of construction of wind and solar projects.		
19 Other non-current liabilities		
Provision for operation and maintenance equalisation	379	484
Total	379	484
20 Short term borrowings		
Loan from Financial Institutions (secured)	-	-
Loan from related party (unsecured) (refer note 31)	5,962	3,530
Total	5,962	3,530
Loan from Financial Institutions (secured)		
Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, other intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective entities.		
Loan from Financial Institutions are repayable in quarterly installments with last installment due on December 2036 and carrying interest rate of 9.90% p.a. The financial institution has a right to exercise put option within next one year. Therefore considering the loan is repayable on demand, liability pertaining to such loan has been classified as current.		
Loan from related party (unsecured)		
Unsecured loan from related party is repayable on demand and carries interest at 8.00% per annum.		
21 Trade payables		
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 38)	-	-
Others	1,160	605
Total	1,160	605
22 Other current financial liabilities		
Financial liabilities at amortised cost		
Current maturities of long term borrowings (Refer note 16)	4,611	4,997
Interest accrued but not due on borrowings	1,309	521
Interest accrued but not due on debentures	12	12
Capital creditors	3,906	3,048
Advance received for sale of redeemable non-cumulative preference shares	552	-
Total	10,390	8,578
23 Other current liabilities		
Provision for operation and maintenance equalisation	70	83
Other payables		
TDS payable	65	50
GST payable	0	1
Total	135	134

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

24 Revenue from operations	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contracts with customers		
Sale of power	5,134	5,321
Total	5,134	5,321
25 Other income		
<u>Recurring other income:</u>		
Interest income accounted at amortised cost		
- on fixed deposit with banks	53	61
- on loan to related parties (refer note 31)	613	482
- others	9	10
Interest income on income tax refund	4	0
Government grant		
- generation based incentive	408	459
- sale of emission reduction certificates	-	-
Insurance claim	25	-
Provisions written back	-	18
Miscellaneous income	10	5
Total	1,122	1,035
26 Other expenses		
	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional fees	12	16
Corporate social responsibility	20	14
Travelling and conveyance	4	7
Rent	0	0
Printing and stationery	0	0
Management shared services	148	136
Rates and taxes	7	9
Payment to auditors (refer details below)	7	5
Insurance	68	20
Operation and maintenance	513	472
Repair and maintenance		
- plant and machinery	8	8
- Others	-	0
Loss on sale of property plant and equipment	0	0
Guest house expenses	0	1
Security charges	0	8
Communication costs	1	0
Impairment allowance for bad and doubtful debts	57	-
Miscellaneous expenses	5	5
	849	701
Payment to auditors		
	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
Audit fee	7	5
In other capacity:		
Reimbursement of expenses	-	0
	7	5
27 Depreciation and amortisation expense		
	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer note 4)	1,311	1,267

Restricted Group

Notes to Combined Financial Statements for the year ended 31 March 2021

(Amounts in INR millions, unless otherwise stated)

Amortisation of other intangible assets (refer note 5)	537	537
Depreciation of right of use assets (refer note 6)	9	6
Total	1,857	1,810

Restricted Group**Notes to Combined Financial Statements for the year ended 31 March 2021**

(Amounts in INR millions, unless otherwise stated)

28 Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on		
- term loans	3,736	3,243
- loan from related party (refer note 31)	288	24
- bonds	-	-
- unwinding of discount on provisions	61	-
- acceptance	0	-
- debentures	-	114
- on working capital demand loan	-	-
- debentures	104	-
- Interest on leases	0	-
- liability component of compulsorily convertible debentures	-	-
- liability component of redeemable non-cumulative preference shares	-	-
- commercial papers	-	-
- others	1	6
Bank charges	21	10
	-	-
Unamortised ancillary borrowing cost written off*	1	111
Total	4,212	3,508

* Represents transaction cost on long term borrowing charged to the Combined Statement of Profit and Loss on account of derecognition due to substantial modification

29 Earnings per share (EPS)

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

30 Leases

The entities forming part of the Restricted Group has entered leases for its leasehold lands. These leases have lease terms of 19 to 25 years.

The weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application is 10.40%. Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance at beginning of the year	0	0
Additions	2	-
Accretion of interest	0	0
Payments	(0)	(0)
Balance as at end of the year	2	0

a) There are no restrictions or covenants imposed by leases.

b) Refer note 26 for rental expense recorded for short-term leases and low value leases For the year ended 31 March 2021 and 31 March 2020.

c) There are no amounts payable toward variable lease expense recognised for the year/year ended 31 March 2021 and 31 March 2020.

d) The maturity analysis of lease liabilities are disclosed in note 36.

e) There are no leases which have not yet commenced to which the lessee is committed (if any).