S.R. BATLIBOI & CO. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of ReNew Power Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of ReNew Power Private Limited ("the Company"), which comprise the Balance sheet as at 31 March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<u>Related Party Transactions – Accuracy and completeness of related party transactions and disclosure thereof</u> *(as described in note 35 of the standalone Ind AS financial statements)*	
We identified the measurement, completeness, presentation and disclosure of related party transactions as a key audit matter due to the high volume and complexity of business transactions with related parties during the year ended 31 March 2020.	Our audit procedures included the following: • Obtained an understanding of the process and tested the design and operating effectiveness of key controls that management has established to identify, account for and disclose related party transactions. • Obtained an updated list of all related parties to the Company and reviewed the general ledger against this list to ensure completeness of transactions. • We read contracts and agreements with related parties to understand the nature of the transactions. • We agreed the amounts disclosed to underlying documentation and reviewing relevant agreements, on a sample basis, as part of our evaluation of the disclosure. • We obtained an understanding of the Company's methodology of determination of arms-length price. We have also obtained and evaluated the Company's independent expert's reports on validation of arms-length price. • Made enquiries of management in order to identify if any related party transactions outside the normal course of business have taken place. • We evaluated the completeness of the disclosures through review of statutory information, books and records and other documents obtained during the course of our audit.
<u>Debt repayment obligations and liquidity</u> *(as described in note 42(e) of the standalone Ind AS financial statements)*	
External funding in the form of long term and short-term borrowings, are an integral part of the Company's business model. It is the key source of funds used by the business to finance its projects, projects of its subsidiaries and operations. Such external borrowings represent the largest liability on the balance sheet. As at 31 March 2020, the Company's borrowings from sources other than loans from its subsidiaries and entities under joint control amount to 33% of the balance sheet total and its Debt is to Equity ratio is 45%. Out of total external borrowings, the following are due for repayment over next 12 months: a. INR 8,881 million is the current maturities of long-term borrowings, and	Our audit procedures include the following: • We obtained an understanding of the process followed by the management for preparation of cash flow forecast, inputs used in the model to estimate the future cash flows as well as the sensitivity analysis prepared in this context. • We discussed with management and assessed the assumptions and judgements used in the estimate of future cash flows having regards to past performance and current emerging business trends affecting the business and industry. We did this assessment with reference to budgets and the underlying substantiations. • We assessed the maturity profile of the Company's borrowings to test that loans maturing within the next twelve months were classified in current liabilities. • We obtained an understanding of management's assessment for repayment of obligations due over next 12 months. We compared the repayment

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>b. Various working capital facilities amounting to INR 2,159 million.

We have identified the Company's ability to service the debt repayment obligations and liquidity as a key audit matter because of the subjective elements such as:
• estimate of expected future cash flows,
• realization of existing and future receivables,
• repayment by subsidiaries of short terms funds provided by the Company,
• forecasted results and operational performance, and
• expectation around refinancing of existing debt.
These estimates are based on assumptions, including expectations of future economic and market developments.</td><td>obligations with that considered in the future cash flows.
• We assessed the Company's ability to refinance its obligation based on the past trends, credit ratings, ability to generate steady cash flows over long term contracts and access to capital.
• We also assessed the adequacy of the related disclosures in the financial statements.</td></tr>
</table>

Other Information

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

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

   (e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended 31 March 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer note 45 (i) to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 39 to the standalone Ind AS financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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per Amit Chugh
Partner
Membership Number: 505224
UDIN: 20505224AAAADZ7095

Place of Signature: Gurugram
Date: 08 June 2020

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

Re: ReNew Power Private Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to information and explanations given by the management the title deeds of immovable properties included in property, plant and equipment except for freehold land amounting to Rs. 41 million for which registration is pending are held in the name of the Company. It has been explained to us that the title deeds for freehold land amounting to Rs. 362 million as at 31 March 2020, have been given as security (mortgage and charge) against the Non-convertible debentures issued and that original title deeds are kept with Vistara ITCL India Limited and Axis Trustee Services Limited as security for the lenders and therefore the same could not be made available to us for our verification and have also not been independently confirmed by the Security Trustee. Further, the title deeds of freehold land amounting to Rs. 60 million as at 31 March 2020, for which original title deed is not made available to us for verification and hence we are unable to comment on the same.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. There was no inventory lying with third parties.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 of the Companies Act, 2013 are applicable. Further, since the Company is an infrastructure company within the meaning of Schedule VI of the Companies Act, 2013, the provision of section 186 of the Companies Act, 2013 is not applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including income-tax, goods and service tax, employees' state insurance, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to provident fund, sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, employees' state insurance, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income-tax, goods and service tax, employees' state insurance, cess and other statutory dues, which have not been deposited on account of any dispute. The provisions relating to provident fund, sales-tax, service tax, duty of custom, duty of excise and value added tax are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, monies raised by the company by way of bonds and term loans were applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer/ further public offer/ debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. Further there has been no preferential allotment or private placement of fully or partly convertible debentures during the year.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

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

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

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per **Amit Chugh**
Partner
Membership Number: 505224
UDIN: 20505224AAAADZ7095

Place of Signature: Gurugram
Date: 08 June 2020

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of ReNew Power Private Limited

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

We have audited the internal financial controls over financial reporting of ReNew Power Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Ind AS financial statements.

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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per **Amit Chugh**
Partner
Membership Number: 505224
UDIN: 20505224AAAADZ7095

Place of Signature: Gurugram
Date: 08 June 2020

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

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	4	25,963	15,119
Capital work in progress	4	2,357	7,403
Intangible assets	5	75	80
Intangible assets under development	5	40	6
Right of use assets	5A	475	-
Financial assets			
Investment	6	72,521	50,891
Loans	7	20,655	3,076
Others	7	79	1,679
Deferred tax assets (net)	8	256	1,780
Prepayments	9	591	143
Non current tax assets (net)		1,333	727
Other non-current assets	10	493	2,126
Total non-current assets		**124,838**	**83,030**
Current assets			
Inventories	11	10	1
Financial assets			
Derivative instruments	12	3,254	-
Trade receivables	13	4,615	3,638
Cash and cash equivalent	14	2,916	280
Bank balances other than cash and cash equivalent	14	13,920	4,283
Loans	7	73,960	61,187
Others	7	9,840	4,597
Prepayments	9	354	47
Other current assets	10	102	250
Total current assets		**108,971**	**74,283**
Total assets		**233,809**	**157,313**
Equity and liabilities			
Equity			
Equity share capital	15A	3,799	3,799
Other equity			
Securities premium	16B	67,150	67,150
Debenture redemption reserve	16C	762	2,443
Hedging reserve	16D	(847)	-
Share based payment reserve	16E	1,161	1,086
Retained earnings	16F	(813)	-
Total equity		**71,212**	**74,478**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	17	89,843	43,350
Lease liabilities	18	192	-
Long-term provisions	19	82	58
Other non-current liabilities	20	306	284
Total non-current liabilities		**90,423**	**43,692**
Current liabilities			
Financial liabilities			
Short-term borrowings	21	55,027	31,909
Trade payables			
Outstanding dues to micro enterprises and small enterprises	22	-	-
Others	22	1,105	984
Lease liabilities	18	123	-
Other current financial liabilities	23	15,184	5,750
Other current liabilities	24	662	443
Short-term provisions	25	73	57
Total current liabilities		**72,174**	**39,143**
Total liabilities		**162,597**	**82,835**
Total equity and liabilities		**233,809**	**157,313**

Summary of significant accounting policies 3.1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

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

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

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

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

MUTHUKUMARAN DORAISWAMI
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(D Muthukumaran)
Chief Financial Officer

Place: Gurugram
Date: 08 June 2020

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

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

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations	26	6,128	4,959
Other income	27	7,019	3,585
Total income		**13,147**	**8,544**
Expenses:			
Employee benefits expense	28	1,728	1,423
Other expenses	29	1,055	1,128
Total expenses		**2,783**	**2,551**
Earning before interest, tax, depreciation and amortization (EBITDA)		**10,364**	**5,993**
Depreciation and amortization expense	30	1,197	721
Finance costs	31	11,273	5,706
Loss before tax		**(2,106)**	**(434)**
Tax expense			
Current tax	8	-	-
Deferred tax	8	513	(492)
Adjustment of tax relating to earlier years		-	4
(Loss)/Profit for the year	**(a)**	**(2,619)**	**54**
Other comprehensive income (OCI)			
Items that will be reclassified to profit or loss in subsequent years			
Net movement on cash flow hedges		168	-
Income tax effect		(1,015)	-
Net other comprehensive income that will be reclassified to profit or loss in subsequent years	**(b)**	(847)	-
Items that will not be reclassified to profit or loss in subsequent years			
Re-measurement losses on defined benefit plans		(11)	2
Income tax effect		4	(1)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent years	**(c)**	(7)	1
Other comprehensive income for the year, net of tax	**(d)=(b) + (c)**	**(854)**	**1**
Total comprehensive income for the year	**(a) + (d)**	**(3,473)**	**55**
Earnings per share:			
(face value per share: INR 10)			
(1) Basic	32	(5.70)	0.14
(2) Diluted	32	(5.70)	0.14
Summary of significant accounting policies	3.1		

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

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

AMIT CHUGH
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Date: 2020.06.08 23:32:16 +05'30'

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

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

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

MUTHUKUMARAN DORAISWAMI
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(D Muthukumaran)
Chief Financial Officer

Place: Gurugram
Date: 08 June 2020

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

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

Particulars	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Cash flow from operating activities		
Loss before tax	(2,106)	(434)
Adjustments for:		
Depreciation and amortisation expense	1,197	721
Operation and maintenance	10	27
Share based payments	195	277
Gratuity expense	12	20
Leave encashment expense	21	4
Interest income	(6,746)	(3,196)
Loss in sale of property, plant & equipment	0	3
Interest expense	11,102	5,620
Fair value gain on financial instruments at fair value through profit or loss	-	(50)
Option premium amortisation	214	-
Unamortised ancillary borrowing cost written off	127	6
Operating profit before working capital changes	**4,026**	**2,998**
Movement in working capital		
(Increase)/decrease in trade receivables	(978)	(342)
(Increase)/decrease in inventories	(9)	(1)
(Increase)/decrease in other current assets	148	(62)
(Increase)/decrease in other current financial assets	(1,124)	(1,118)
(Increase)/decrease in prepayments	(1,446)	45
(Increase)/decrease in other non-current financial assets	(9)	934
(Increase)/decrease in other non-current assets	18	7
Increase/(decrease) in other current liabilities	231	273
Increase/(decrease) in trade payables	121	(21)
Increase/(decrease) in other current financial liabilities	(112)	1,270
Increase/(decrease) in provisions	(5)	71
Cash generated from operations	**861**	**4,054**
Direct taxes paid (net of refunds)	(605)	(350)
Net cash generated from operating activities	**256**	**3,704**
Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress, capital creditors and capital advances	(4,028)	(7,422)
Investment in bank deposits having remaining maturity of more than 3 months	(9,656)	(980)
Loan given to subsidiaries- unsecured loan	(88,506)	(65,659)
Loan repaid by subsidiaries- unsecured loan	49,421	49,104
Investment in subsidiaries	(10,228)	(5,671)
Share application money paid and due for refund	85	(85)
Interest received	1,507	1,440
Redemption in Mutual funds	-	1,056
Net cash used in investing activities	**(61,405)**	**(28,217)**
Cash flow from financing activities		
Proceeds from issue of equity shares (including premium) (net of share issue expenses)	-	599
Proceeds from issue of compulsorily convertible preference shares	20,903	-
Proceeds from long-term borrowings	56,454	5,459
Repayment of long-term borrowings	(29,002)	(2,040)
Proceeds from short-term borrowings	41,539	49,666
Repayment of short-term borrowings	(18,580)	(25,374)
Payment of lease liabilities	(117)	-
Interest paid	(7,412)	(4,984)
Net cash generated from financing activities	**63,785**	**23,326**
Net (decrease) / increase in cash and cash equivalents	**2,636**	**(1,187)**
Cash and cash equivalents at the beginning of the year	**280**	**1,467**
Cash and cash equivalents at the end of the year	**2,916**	**280**
Components of cash and cash equivalents		
Cash and cheques on hand	0	0
Balances with banks:		
- On current accounts	2,916	264
- On deposit accounts with original maturity of less than 3 months	-	16
Total cash and cash equivalents (note 14)	**2,916**	**280**

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

Changes in liabilities arising from financing activities

Particulars	Opening balance as at 1 April 2019	Cash flows (net)	Other changes*	Closing balance as at 31 March 2020
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	45,376	48,356	4,992	98,724
Short-term borrowings	31,909	22,958	159	55,026
Total liabilities from financing activities	**77,285**	**71,314**	**5,151**	**153,750**

Particulars	Opening balance as at 1 April 2018	Cash flows (net)	Other changes*	Closing balance as at 31 March 2019
Long-term borrowings (including current maturities and net of ancilliary borrowings cost incurred)	42,027	3,419	(70)	45,376
Short-term borrowings	7,618	24,291	-	31,909
Total liabilities from financing activities	**49,645**	**27,710**	**(70)**	**77,285**

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

Refer note 34 for movement in lease liabilities.

Summary of significant accounting policies 3.1

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

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

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

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

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

SUMANT SINHA
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Date: 2020.06.08 22:39:18 +05'30'

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

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

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

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

Particulars	Attributable to the equity holders of the Company							Total equity
			Reserves and Surplus				Items of OCI	
	Equity share capital	Share application money pending allotment	Securities premium	Share based payment reserve	Retained earnings	Debenture redemption reserve	Hedging Reserve	
	(refer note 15A)	(refer note 16A)	(refer note 16B)	(refer note 16E)	(refer note 16F)	(refer note 16C)	(refer note 16D)	
At 1 April 2018	**3,772**	**-**	**66,352**	**1,027**	**721**	**1,667**	**-**	**73,539**
Profit for the year	-	-	-	-	54	-	-	54
Other comprehensive income (net of taxes)	-	-	-	-	1	-	-	1
Total comprehensive income	**-**	**-**	**-**	**-**	**55**	**-**	**-**	**55**
Share application money received	-	566	-	-	-	-	-	566
Equity shares issued during the year	27	(566)	539	-	-	-	-	-
Amount utilised on exercise of stock options	-	-	257	(257)	-			-
Amount utilized for issue of shares	-	-	2	-	-	-	-	2
Amount against stock options relating to subsidiary	-	-	-	11	-	-	-	11
Share-based payments	-	-	-	305	-	-		305
Debenture redemption reserve	-	-	-	-	(776)	776	-	-
At 31 March 2019	**3,799**	**-**	**67,150**	**1,086**	**-**	**2,443**	**-**	**74,478**
Loss for the year	-	-	-	-	(2,619)	-	-	(2,619)
Other comprehensive income (net of taxes)	-	-	-	-	(7)	-	(847)	(854)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**(2,627)**	**-**	**(847)**	**(3,473)**
Share-based payments	-	-	-	202	-	-	-	202
Amount against stock options relating to subsidiary	-	-	-	5	-	-	-	5
Amount transferred from share based payment reserve to retained earnings	-	-	-	(132)	132	-	-	-
Debenture redemption reserve	-	-	-	-	1,681	(1,681)	-	-
At 31 March 2020	**3,799**	**-**	**67,150**	**1,161**	**(813)**	**762**	**(847)**	**71,212**

Summary of significant accounting policies 3.1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005
Chartered Accountants

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

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

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

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(D Muthukumaran)
Chief Financial Officer

Place: Gurugram
Date: 08 June 2020

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

1 General information

ReNew Power Private Limited ('the Company') is a private limited company domiciled in India. The Company was converted into a private limited company with effect from 08 November 2019 and consequently the name of the Company has changed from ReNew Power Limited to ReNew Power Private Limited.

The registered office of the Company is located at 138, Ansal Chamber - II Bhikaji Cama Place, New Delhi-110066. The Company is carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Financial Statements of the Company were approved for issue by the Company's Board of Directors on 08 June 2020.

2 Basis of preparation

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

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

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

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

3.1 Summary of Significant Accounting Policies

a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

b) Fair value measurement

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

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

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

All assets and liabilities for which fair value is measured 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 Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

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

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

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
· Disclosures for significant estimates and assumptions (Refer Note 43)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 41)
· Financial instruments (including those carried at amortised cost) (Refer Note 40 and 41)

c) Revenue recognition

Revenue from contracts with customers

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

Sale of Power

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

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

Transaction Price - Remaining Performance Obligation

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

Income from services (management consultancy)

Revenue from projects management/technical consultancy are recognised as per the terms of agreement on the basis of services rendered. The Company recognises revenue from projects management/technical consultancy over time because the customer simultaneously receives and consumes the benefits provided to them, as per the terms of the agreement entered with the customer.

(i) Variable consideration

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

Rebates

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

(ii) Consideration payable to customers

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

Income from compensation for loss of revenue

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

Dividend

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

Contract balances

(i) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(ii) Contract Liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (r) Financial instruments – initial recognition and subsequent measurement.

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

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

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

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:
- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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

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

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

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

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

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

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

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

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

In situations where company 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 company restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be 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.

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

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

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

The company presents grants related to an expense item as other income in the Statement of Profit and Loss. Thus, Generation based incentive and Sale of emission reduction certificates have been recognised as other income.

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

g) Inventories

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

h) Property, plant and equipment

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

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

Subsequent Costs

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

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

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

i) Intangible assets

Intangible assets acquired separately are measured in initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
The useful lives of intangible assets are assessed as either finite or indefinite.

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

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

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

(Amounts in INR millions, unless otherwise stated)

j) Depreciation/amortization of property, plant and equipment and intangibles

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

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

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

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

k) Borrowing costs

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

l) Leases

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

As a lessee

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

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

As a lessor

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

As per Ind AS 116 applicable from 1 April 2019

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

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (m) Impairment of non-financial assets.

ii) Lease liabilities

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

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

iii) Short-term leases and leases of low-value assets

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

As a lessor

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

m) Impairment of non-financial assets

The company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as an increase in revaluation.

n) Share based payments

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

Equity-settled transactions

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

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

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

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

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

o) Retirement and other employee benefits

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

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

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

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

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

Past service costs are recognised in Statement of Profit and Loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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

p) Provisions

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

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

q) Financial instruments

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

Financial assets

Initial recognition and measurement

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 Company commits to purchase or sell the asset.

Subsequent measurement

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

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

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

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

Equity investments

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

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

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The respective company has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; And
- Either the companies under the company has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

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

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

Impairment of financial assets

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

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

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

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

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

Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the company include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

Subsequent measurement

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

Loans and borrowings

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

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

The Company 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.

Compound Instruments- Compulsorily Convertible Preference Shares (CCPS)

Compulsorily Convertible Preference Shares (CCPS) are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

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

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

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

Derecognition

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

Reclassification of financial assets and liabilities

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

Offsetting of financial instruments

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

r) Investment in subsidiaries and associates

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

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

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

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

s) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

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

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

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

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

- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company'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:

Interest income

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

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

t) Cash and Cash-Equivalents

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

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

u) Measurement of EBITDA

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

v) Events occurring after the Balance Sheet date

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

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

The Company makes disclosures in the financial statement in cases of significant events.

w) Contingent liabilities

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

x) Earnings per equity share

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

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

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

3.2 Changes in accounting policy and disclosures- New and amended standards

The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of the new accounting standard are described below.
Several other amendments and interpretations apply for the first time in March 2020, but do not have an impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

a) Ind AS 116 Leases:

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

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

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

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

(Amounts in INR millions, unless otherwise stated)

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

Particulars	Note	(INR in Mn) Ind AS 116 impact as at 1 April 2019
Assets - Increase/(decrease):		
Non-current assets		
Right of use assets	5A	511
Prepayments	9	(126)
Other non-current assets		
Deferred rent	10	(18)
Current assets		
Prepayments	9	(8)
Other current assets		
Deferred rent	10	(7)
Liabilities - (Increase)/decrease:		
Non-current liabilities		
Financial liabilities		
Lease liabilities	18	(272)
Current liabilities		
Financial liabilities		
Trade payables	22	(34)
Lease liabilities	18	(113)

b) Other regulatory changes

Pursuant to the Taxation law (Amendment) Ordinance 2019 (‘Ordinance’) issued by Ministry of Law and Justice on 20 September 2019 with an effective 01 April 2019, domestic companies have the option to pay corporate income tax at 22% plus applicable surcharge and cess subject to certain conditions. Basis the assessment carried, Comapny have decided not to opt for the lower tax rate under the Ordinance owing to carried forward tax losses, unutilized MAT credit and various other tax benefits available to such entities. Accordingly, the Company has decided to continue with existing tax structure, and hence there is no impact of Ordinance on these Financial Statements.

(Amounts in INR millions, unless otherwise stated)

4 Property, plant and equipment

	Freehold Land	Plant and equipment	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and equipment	Capital work in progress
Cost								
At 1 April 2018	420	16,327	27	21	1	26	16,822	367
Additions during the year^	41	8	102	28	33	20	232	7,209
Capitalised during the year	-	-	-	-	-	-	-	(173)
Disposals	-	(2)	-	(5)	(1)	(3)	(11)	-
At 31 March 2019	**461**	**16,333**	**129**	**44**	**33**	**43**	**17,043**	**7,403**
Additions during the year^	91	11,797	-	4	0	14	11,906	6,772
Disposals	-	(2)	-	(0)	-	(3)	(5)	(21)
Capitalised during the year	-	-	-	-	-	-	-	(11,797)
At 31 March 2020	**552**	**28,128**	**129**	**48**	**33**	**54**	**28,944**	**2,357**
Accumulated depreciation								
At 1 April 2018	-	1,202	8	8	0	13	1,231	-
Charge for the year (refer note 30)	-	653	23	9	5	11	701	-
Disposals during the year	-	(0)	-	(4)	(1)	(2)	(8)	-
At 31 March 2019	**-**	**1,855**	**31**	**13**	**4**	**22**	**1,924**	**-**
Charge for the year (refer note 30)	-	1,012	24	8	4	12	1,060	-
Disposals during the year	-	(0)	-	(0)	-	(3)	(3)	-
At 31 March 2020	**-**	**2,867**	**55**	**21**	**8**	**31**	**2,981**	**-**
Net book value								
At 31 March 2019	**461**	**14,478**	**98**	**31**	**29**	**21**	**15,119**	**7,403**
At 31 March 2020	**552**	**25,261**	**74**	**27**	**25**	**24**	**25,963**	**2,357**

Mortgage and hypothecation on Property, plant and equipment:
Property, plant and equipment with a carrying amount of INR 28,320 (31 March 2019: INR 22,522) are subject to a pari passu first charge to respective lenders for project term loans, listed senior secured notes and debentures as disclosed in Note 17.

^ Capitalised borrowing costs
The amount of borrowing costs capitalised during the year was INR 449 (31 March 2019: INR 394) included in capital work in progress. The rate used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

(Amounts in INR millions, unless otherwise stated)

5 Intangible assets	Computer software	Total Intangibles	Intangible asset under development
Cost			
At 1 April 2018	111	111	8
Additions during the year	28	28	16
Capitalised during the year	-	-	(18)
Disposals during the year	(1)	(1)	-
At 31 March 2019	**138**	**138**	**6**
Additions during the year	19	19	34
At 31 March 2020	**157**	**157**	**40**
Amortisation			
At 1 April 2018	38	38	**-**
Amortisation for the year (refer note 30)	20	20	-
Disposals during the year	(0)	(0)	
At 31 March 2019	**58**	**58**	**-**
Amortisation for the year (refer note 30)	24	24	**-**
At 31 March 2020	**82**	**82**	**-**
Net book value			
At 31 March 2019	**80**	**80**	**6**
At 31 March 2020	**75**	**75**	**40**

(Amounts in INR millions, unless otherwise stated)

5A Right of use assets

Particulars	As at 31 March 2020		
	Land	**Building**	**Total**
As at 1 April 2019 on account of adoption of Ind AS 116	139	372	511
Additions during the year	71	13	83
Deletions during the year	(4)	(3)	(6)
Depreciation for the year (refer note 30)	(11)	(102)	(113)
Balance as on 31 March 2020	**195**	**280**	**475**

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

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(Amounts in INR millions, unless otherwise stated)

6 Non-current investments (non trade)	As at 31 March 2020	As at 31 March 2019
Investment in subsidiaries at cost		
Unquoted equity shares		
Investment in subsidiaries		
5,194,000 (31 March 2019 5,194,000) equity shares of INR 10 fully paid up in ReNew Wind Energy Delhi Private Limited	519	519
3,870,000 (31 March 2019 3,870,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jadeswar) Private Limited	350	350
11,922,125 (31 March 2019 11,922,125) equity shares of INR 10 fully paid up in ReNew Wind Energy (Rajkot) Private Limited	1,191	1,191
8,156,000 (31 March 2019 8,156,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Shivpur) Private Limited	815	815
10,750,006 (31 March 2019 8,175,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Varekarwadi) Private Limited	1,280	817
7,248,585 (31 March 2019 7,248,585) equity shares of INR 10 fully paid up in ReNew Wind Energy (Sipla) Private Limited	657	657
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Orissa) Private Limited	0	0
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jamb) Private Limited	0	0
4,897,000 (31 March 2019 4,897,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Welturi) Private Limited	489	489
4,226,000 (31 March 2019 4,226,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (MP) Private Limited	422	422
239,000 (31 March 2019 239,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (AP) Private Limited	23	23
8,939,000 (31 March 2019 8,939,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited	893	893
35,548,278 (31 March 2019 18,195,775) equity shares of INR 10 fully paid up in ReNew Solar Power Private Limited	3,554	1,819
297,701 (31 March 2019 297,701) equity shares of INR 10 fully paid up in ReNew Wind Energy (Karnataka) Private Limited	29	29
7,509,000 (31 March 2019 7,509,000) equity shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan) Private Limited	750	750
15,296,724 (31 March 2019 15,296,724) equity shares of INR 10 fully paid up in ReNew Wind Energy (Jath) Private Limited	1,529	1,529
12,602,490 (31 March 2019 190,000) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 2) Private Limited	1,243	2
10,054,050 (31 March 2019 10,054,050) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 3) Private Limited	1,005	1,005
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (AP 4) Private Limited	0	0
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Jath Three) Private Limited	0	0
90,000 (31 March 2019 90,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Karnataka Two) Private Limited	1	1
1,010,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Karnataka Five) Private Limited	10	0
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (MP One) Private Limited	0	0
1,444,000 (31 March 2019 1,444,000) equity shares of INR 10 fully paid up in Renew Wind Energy (MP Two) Private Limited	144	144
3,646,500 (31 March 2019 3,646,500) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan One) Private Limited	364	364
163,000 (31 March 2019 163,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan 2) Private Limited	2	2
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Rajasthan 3) Private Limited	0	0
191,000 (31 March 2019 190,000) equity shares of INR 10 fully paid up in Renew Wind Energy (TN) Private Limited	2	2
15,000 (31 March 2019 15,000) equity shares of INR 10 fully paid up in Renew Wind Energy (Vaspet 5) Private Limited	0	0
6,710,000 (31 March 2019 6,710,000) equity shares of INR 10 fully paid up in Narmada Wind Energy Private Limited	672	672
651,620 (31 March 2019 651,620) equity shares of INR 10 fully paid up in Abaha Wind Energy Developers Private Limited	7	7
3,932,389 (31 March 2019 2,561,000) equity shares of INR 10 fully paid up in Renew Solar Energy Private Limited	502	255
19,000,000 (31 March 2019 19,000,000) equity shares of INR 10 fully paid up in Shruti Power Projects Private Limited	197	197
9,819,600 (31 March 2019 9,819,600) equity shares of INR 10 fully paid up in Helios Infratech Private Limited	1,219	1,219
5,801,000 (31 March 2019 5,801,000) equity shares of INR 10 fully paid up in Molagavalli Renewable Private Limited	603	603
1,423 (31 March 2019 1,423) equity shares of INR 10 fully paid up in ReNew Vayu Urja Private Limited (formerly known as KCT Renewable Energy Private Limited)	4,452	4,452
10,000 (31 March 2019 Nil) equity shares of INR 10 fully paid up in ReNew Services Private Limited	0	-
10,000 (31 March 2019 Nil) equity shares of INR 10 fully paid up in ReNew Vyan Shakti Private Limited	0	-
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in ReNew Transmission Ventures Private Limited	0	0
10,000 (31 March 2019 Nil) equity shares of INR 10 fully paid up in ReNew Vyoman Energy Private Limited	0	-
10,000 (31 March 2019 Nil) equity shares of INR 10 fully paid up in ReNew Vyoman Power Private Limited	0	-

(Amounts in INR millions, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
Investment in subsidiaries at cost			
Unquoted equity shares			
Investment in subsidiaries			
10,000 (31 March 2019 01) equity shares of SGD 1 fully paid up in ReNew Power Singapore PTE Ltd.		1	0
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Kanak Renewables Limited		1	1
10,000 (31 March 2019 10,000) equity shares of INR 10 fully paid up in Rajat Renewables Limited		1	1
6,651,000 (31 March 2019 6,650,900) equity shares of INR 10 fully paid up in Pugalur Renewable Private Limited		665	665
5,451,000 (31 March 2019 5,450,900) equity shares of INR 10 fully paid up in Bidwal Renewable Private Limited		545	545
793,172,748 (31 March 2019 646,950,200) equity shares of INR 10 fully paid up in ReNew Power Services Private Limited		8,182	6,470
2,311,000 (31 March 2019 2,311,000) equity shares of INR 10 fully paid up in Zemira Renewable Energy Limited		227	227
860,000 (31 March 2019 250,000) equity shares of USD 1 fully paid up in ReNew Americas INC		62	17
1,118,838 (31 March 2019 232,338) equity shares of GBP 1 fully paid up in ReNew Power International Limited		102	22
	(a)	**32,707**	**27,173**
Unquoted optionally convertible redeemable preference shares			
Investment in subsidiaries at cost			
27,000,000 (31 March 2019 27,000,000) 0.001% optionally convertible redeemable preference shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited		2,700	2,700
21,165,940 (31 March 2019 Nil) 0.0001% optionally convertible redeemable preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited		2,117	-
37,294,470 (31 March 2019 Nil) 0.0001% optionally convertible redeemable preference shares of INR 10 fully paid up in Renew Wind Energy (AP 2) Private Limited		3,729	-
	(b)	**8,546**	**2,700**
Unquoted convertible preference shares			
Investment in subsidiaries at cost			
11,153,350 (31 March 2019 11,153,350) 0.001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (AP) Private Limited		1,115	1,115
104,836,743 (31 March 2019 104,836,743) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited		10,484	10,484
7,231,000 (31 March 2019 7,231,000) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (MP Two) Private Limited		723	723
7,195,600 (31 March 2019 7,195,600) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan One) Private Limited		720	720
19,790,970 (31 March 2019 19,790,970) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan 3) Private Limited		1,979	1,979
5,607,104 (31 March 2019 Nil) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Solar Power Private Limited		561	-
10,283,000 (31 March 2019 10,283,000) 0.0001% compulsorily convertible preference shares of INR 10 fully paid up in ReNew Wind Energy (Shivpur) Private Limited		1,028	1,028
	(c)	**16,610**	**16,049**
Unquoted debt securities			
Investment in subsidiaries at cost			
18,770,307 (31 March 2019 0,000) 0.001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Karnataka) Private Limited		1,585	1,585
3,030,123 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Orissa) Private Limited		274	274
7,219,324 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Jamb) Private Limited		653	653
2,304,000 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (MP) Private Limited		208	208
2,892,167 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Varekarwadi) Private Limited		262	262
9,602,580 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Rajasthan) Private Limited		799	799
1,881,220 (31 March 2019 0,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in ReNew Wind Energy (Devgarh) Private Limited		156	156
63,205,700 (31 March 2019 63,205,700) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in Pugalur Renewable Private Limited		535	535
51,530,000 (31 March 2019 51,530,000) 0.0001% redeemable non cumulative preference shares of INR 10 fully paid up in Bidwal Renewable Private Limited		437	437
216,237,455 (31 March 2019 Nil) 0.0001% redeemable non cumulative preference shares of INR 100 fully paid up in ReNew Power Services Private Limited		9,684	-
	(d)	**14,592**	**4,909**
Deemed investment *			
ReNew Power Services Private Limited		65	60
	(e)	**65**	**60**
	(a) + (b) + (c) + (d) + (e)	**72,521**	**50,891**
Aggregate amount of quoted investment along with market value thereof		-	-
Aggregate amount of unquoted investment		72,521	50,891
Aggregate amount of impairment in the value of investments		-	-

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

(Amounts in INR millions, unless otherwise stated)

7 Financial assets	**As at 31 March 2020**	**As at 31 March 2019**
Non-current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Loans		
Considered good - Secured	**-**	**-**
Considered good - Unsecured		
Security deposits	69	61
Loan to subsidiaries (refer note 35)	6,004	1,769
Loan to subsidiaries - redeemable non cumulative preference shares (refer note 35)	14,582	1,246
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**20,655**	**3,076**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 14)	79	60
Interest accrued on loans to subsidiaries (refer note 35)	-	356
Share application money pending allotment (refer note 35)	-	1,263
Total	**79**	**1,679**
Current (unsecured, considered good unless stated otherwise)		
Financial assets at amortised cost		
Loans		
Considered good - Secured	-	-
Considered good - Unsecured		
Loan to fellow subsidiaries - redeemable non cumulative preference shares (refer note 35)	-	22,074
Security deposits	5	8
Loans to subsidiaries (refer note 35)	73,955	39,105
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**73,960**	**61,187**
Others		
Recoverable from related parties (refer note 35)	1,584	1,160
Advance recoverable in cash	221	221
Government grants*		
- Generation based incentive receivable	167	131
Interest accrued on fixed deposits	123	109
Interest accrued on loans to subsidiaries (refer note 35)	7,077	2,891
Advance given for purchase of redeemable non-cumulative preference shares (refer note 35)	668	-
Share application money paid and due for refund (refer note 35)	-	85
Total	**9,840**	**4,597**

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

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

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

(Amounts in INR millions, unless otherwise stated)

8 Deferred tax assets (net)

		As at 31 March 2020	As at 31 March 2019
Deferred tax related to items recognised in OCI:			
Deferred tax assets (gross)			
Derivative Instrument		(1,015)	-
Re-measurement losses on defined benefit plans		4	1
	(a)	**(1,011)**	**1**
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		2,966	494
Right of use assest		91	-
Ancillary borrwoing cost		176	40
	(b)	**3,233**	**534**
Deferred tax assets (gross)			
Losses available for offsetting against future taxable income		4,250	2,048
Provision for operation and maintenance equalisation		104	85
Unused tax credit (MAT)		-	144
Lease liabilities		98	-
Others		48	36
	(c)	**4,500**	**2,313**
	(d) = (c) - (b)	**1,267**	**1,779**
Deferred tax assets (net)	**(a) + (d)**	**256**	**1,780**

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

	31 March 2020	31 March 2019
Accounting profit/(loss) before income tax	**(2,106)**	**(434)**
Tax at the India's tax rate of 31.20% (31 March 2019: 31.20%)	(658)	(135)
Effect of tax holidays and other tax exemptions	203	(45)
Interest on compound financial instruments	278	(303)
Change in estimates for recoverability of tax losses	1,395	-
Change in estimates for recoverability of unused tax credits (MAT)	144	-
Impact of ICDS related to hedge contracts routed through OCI	(962)	-
Adjustment of tax relating to earlier periods	92	-
Others	21	(9)
At the effective income tax rate	**513**	**(492)**
Current tax expense reported in the statement of profit and loss	-	-
Deferred tax expense reported in the statement of profit and loss	513	(492)
	513	**(492)**
*** Where deferred tax expense relates to the following :**		
Losses available for offsetting against future taxable Income	(2,202)	(606)
Ancillary borrowing cost	136	(14)
Unused tax credit (MAT)	144	(3)
Difference in WDV as per books of accounts and tax laws	2,473	170
Right of use assest	91	-
Lease liabilities	(98)	-
Provision for operation and maintenance equalisation	(19)	(8)
Others	(12)	(31)
	513	**(492)**

Reconciliation of deferred tax assets (net):

	31 March 2020	31 March 2019
Opening balance of DTA/DTL (net)	**1,780**	**1,289**
Deferred tax income/(expense) during the year recognised in profit or loss	(513)	492
Deferred tax income/(expense) during the year recognised in OCI	(1,011)	(1)
Closing balance of DTA/DTL (net)	**256**	**1,780**

(Amounts in INR millions, unless otherwise stated)

9 Prepayments	**As at 31 March 2020**	**As at 31 March 2019**
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	591	143
Total	**591**	**143**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	354	47
	354	**47**

10 Other assets	**As at 31 March 2020**	**As at 31 March 2019**
Non-current (unsecured, considered good unless otherwise stated)		
Others		
Capital advance	485	2,015
Advances recoverable	8	93
Security deposits	-	0
Deferred rent	-	18
Total	**493**	**2,126**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or kind	102	243
Deferred rent	-	7
Others	0	0
Total	**102**	**250**

11 Inventories	**As at 31 March 2020**	**As at 31 March 2019**
Consumables & Spares	10	1
Total	**10**	**1**

12 Derivative instruments	**As at 31 March 2020**	**As at 31 March 2019**
Financial assets at fair value through OCI		
Current		
Cash flow hedges		
Derivative instruments	3,254	-
Total	**3,254**	**-**

13 Trade receivables	**As at 31 March 2020**	**As at 31 March 2019**
Unsecured, considered good	4,615	3,638
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	4,615	**3,638**
Less: Impairment allowance (bad and doubtful debts)	-	-
Total	**4,615**	**3,638**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No any trade or other receivables are due from firms or private companies respectively in which any director is a partner, director or a member.

Trade receivables are non-interest bearing and are generally on payment terms of 15-45 days

(Amounts in INR millions, unless otherwise stated)

14 Cash and cash equivalents	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents		
Cash on hand	0	0
Balance with bank		
- On current accounts	2,916	264
- Deposits with original maturity of less than 3 months	-	16
	2,916	**280**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months *#	13,920	4,283
- Remaining maturity for more than twelve months *#	79	60
	13,999	**4,343**
Less: amount disclosed under financial assets (others) (Note 7)	(79)	(60)
Total	**13,920**	**4,283**

*Fixed deposits of INR 2,908 (31 March 2019: INR 1,895) 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 90 days to 1827 days and carry an interest rate of 5.40% to 8.45% which is receivable on maturity.

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(Amounts in INR millions, unless otherwise stated)

15 Share capital

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

Compulsory convertible preference shares of INR 425 each (refer note 17)	**Number of shares**	**Amount**
At 1 April 2018	-	-
At 31 March 2019	-	-
Increase during the year	60,000,000	25,500
At 31 March 2020	**60,000,000**	**25,500**

Issued share capital	**Number of shares**	**Amount**
15A Equity shares of INR 10 each issued, subscribed and paid up		
At 1 April 2018	377,157,856	3,772
Shares issued during the year	2,766,700	28
At 31 March 2019	379,924,556	3,799
At 31 March 2020	**379,924,556**	**3,799**

Terms/rights attached to equity shares

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

15B Details of shareholders holding more than 5% shares in the Company	**As at 31 March 2020**		**As at 31 March 2019**	
	Number	**% Holding**	**Number**	**% Holding**
Equity shares of INR 10 each				
GS Wyvern Holding Ltd	184,709,600	48.62%	184,709,600	48.62%
Canada Pension Plan Investment Board	61,608,099	16.22%	61,608,099	16.22%
Green Rock B 2014 Limited (formerly known as Green Rock A 2014 Limited)	60,487,804	15.92%	60,487,804	15.92%
JERA Power RN B.V.	34,411,682	9.06%	34,411,682	9.06%

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

15C No shares have been allotted without payment of cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.

15D Shares reserved for issue under options
For details of shares reserved for issue under the share based payment plan of the Company, refer note 36.
For details of shares reserved for issue on conversion of Convertible Preference Shares, refer note 17 related to terms of conversion/ redemption of preference shares.

16 Other equity

16A Share application money pending allotment	
At 1 April 2018	-
Share application money received	566
Equity shares issued during the year	(566)
At 31 March 2019	-
At 31 March 2020	-

16B Securities premium	
At 1 April 2018	**66,352**
Premium on issue of equity shares during the year	539
Amount transferred from share based payment reserve on conversion	257
Amount utilized against for issue of equity shares	2
At 31 March 2019	**67,150**
At 31 March 2020	**67,150**

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

(Amounts in INR millions, unless otherwise stated)

16C Debenture redemption reserve

At 1 April 2018	1,667
Debenture redemption reserve created during the year	776
At 31 March 2019	**2,443**
Debenture redemption reserve transferred to retained earnings during the year	(1,681)
At 31 March 2020	**762**

Nature and purpose

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

16D Hedging Reserve

At 1 April 2018	-
At 31 March 2019	**-**
Movement in hedge reserve (refer note 39)	(847)
At 31 March 2020	**(847)**

Nature and purpose

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

16E Share based payment reserve

At 1 April 2018	1,027
Expense for the year	305
Amount against stock options relating to subsidiary (refer note 35)	11
Amount utilised on exercise of stock options	(257)
At 31 March 2019	**1,086**
Expense for the year	202
Amount against stock options relating to subsidiary (refer note 35)	5
Amount transferred to retained earnings on forfeiture of vested options	(132)
At 31 March 2020	**1,161**

Nature and purpose

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

16F Retained earnings

At 1 April 2018	721
Profit for the year	54
Re-measurement losses on defined benefit plans (net of tax)	1
Appropriation for debenture redemption reserve	(776)
At 31 March 2019	**-**
Loss for the year	(2,619)
Re-measurement losses on defined benefit plans (net of tax)	(7)
Amount transferred from share based payment reserve on forfeiture of vested options	132
Debenture redemption reserve released on account of repayment of debentures	1,681
At 31 March 2020	**(813)**

(Amounts in INR millions, unless otherwise stated)

17 Long-term borrowings	**Nominal interest rate %**	**Maturity**	**Non-current 31 March 2020**	**Non-current 31 March 2019**	**Current 31 March 2020**	**Current 31 March 2019**
Non Convertible Debentures (secured) (NCDs)	9.18% - 13.01%	February 2021 - July 2025	6,414	24,194	5,057	1,994
Acceptances (unsecured)			-	4,904	-	-
Term loan from bank (secured)	7.35% - 10.15%	March 2021 - December 2021	1,308	14,252	3,739	32
Term loan from financial institutions (secured)	10.50%	December 2021	2,884	-	85	-
Listed senior secured notes	6.34% - 7.18%	September 2022 - March 2027	56,037	-	-	-
Compulsorily convertible preference shares treated as financial liability as per Ind AS 109	15.02%	June 2022	23,200	-	-	-
Total long-term borrowings			**89,843**	**43,350**	**8,881**	**2,026**
Amount disclosed under the head 'Other current financial liabilities' (Refer note 23)			-	-	(8,881)	(2,026)
			89,843	**43,350**	**-**	**-**

Notes:

Details of Security

Non convertible debentures (secured)
Non-convertible debentures specific to projects are secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective projects.
Non-convertible debentures not specific to projects are secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts, excluding charge on project assets and further secured by pledge over equity shares of certain subsidiaries and step down subsidiaries.

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

Debenture Series	**Face value per NCD**	**Nos. of NCDs Ousstanding as at 31 March 2020**	**Nos. of NCDs Ousstanding as at 31 March 2019**	**Ousstanding Amount as at 31 March 2020**	**Ousstanding Amount as at 31 March 2019**	**Nominal interest rate %**	**Earliest Redemption Date**	**Terms of repayment**
Not applicable (Unlisted)	1,000,000	3,210	3,210	3,210	3,210	9.45%	30-Jul-25	Bullet
Not applicable (Unlisted)	1,000,000	1,210	1,210	1,210	1,210	9.18%	30-Nov-22	Bullet
Not applicable (Unlisted)	1,000,000	2,000	2,000	2,000	2,000	11.96%	28-Sep-22	Bullet
Not applicable (Listed)	1,000,000	5,060	10,000	5,060	10,000	12.75%	26-Feb-21	Bullet
Not applicable (Unlisted)	1,000,000	-	5,000	-	5,000	10.40%	N/A	N/A
Not applicable (Unlisted)	1,000,000	-	2,835	-	2,835	11.00%	N/A	N/A
Series 3 (Unlisted)	1,000,000	-	1,000	-	1,000	12.68%	N/A	N/A
Series 6 (Unlisted)	1,000,000	-	1,000	-	1,000	13.01%	N/A	N/A
Total				**11,480**	**26,255**			

Term loan in Indian rupees from banks (Secured)
Term loans specific to projects are secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets, intangible assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective projects.
Term loans not specific to projects is to be exclusively secured by hypothecation of loans and advances and book debts and it has to be further secured by pledge over 51% shares, compulsorily convertible debentures and other equity like instruments of one direct subsidiary.

(Amounts in INR millions, unless otherwise stated)

Term loan in Indian rupees from financial institutions (Secured)

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

Listed senior secured notes

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.

Compulsorily convertible preference shares (CCPS) treated as financial liability as per Ind AS 109

On 27 June 2019, the Company has issued 49,184,611 number of Compulsory Convertible Preference Shares (Series A) amounting to INR 20,903 :

Name of Allottee	Number of shares alloted	Face value	Amount received	Balance as at 31 March 2020
GS Wyvern Holding Limited	16,395,294	425	6,968	7,734
Green Rock B 2014 Limited (acting in its capacity as trustee of Green Stone A 2014 Trust)	16,318,729	425	6,935	7,698
Canada Pension Plan Investment Board	16,470,588	425	7,000	7,769
Total	**49,184,611**		**20,903**	**23,200**

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

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(Amounts in INR millions, unless otherwise stated)

18 Lease liabilities	**As at 31 March 2020**	**As at 31 March 2019**
Non-current		
Lease liabilities (refer note 34)	192	-
Total	**192**	**-**
Current		
Lease liabilities (refer note 34)	123	-
Total	**123**	**-**

19 Long-Term Provisions	**As at 31 March 2020**	**As at 31 March 2019**
Provision for gratuity (refer note 33)	82	58
Total	**82**	**58**

20 Other non-current liabilities	**As at 31 March 2020**	**As at 31 March 2019**
Provision for operation and maintenance equalisation	306	284
Total	**306**	**284**

21 Short term borrowings	**As at 31 March 2020**	**As at 31 March 2019**
Working capital term loan (secured)	2,000	4,469
Acceptances (unsecured)	159	-
Loan from related party (unsecured) (refer note 35)	52,868	27,440
Total	**55,027**	**31,909**

Working capital term loan (secured)

The term loan from bank carries interest @ 9.90% to 12% p.a. The same is repayable with a bullet payment at the end of the tenure i.e. 90-365 days. It is secured by first charge by way of hypothecation entire movable properties of the borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other movable properties, book debts, operating cash flows, receivables, commission and revenues, all other current assets, intangible assets, goodwill, uncalled up capital except project assets.

Loan from related party (unsecured)

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

(Amounts in INR millions, unless otherwise stated)

22 Trade payables	As at 31 March 2020	As at 31 March 2019
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 46)	-	-
Others*	1,105	984
Total	**1,105**	**984**

*Refer note 35 for amount payable to related parties.

23 Other current financial liabilities	As at 31 March 2020	As at 31 March 2019
Financial liabilities at amortised cost		
Current maturities of long term borrowings (refer note 17)	8,881	2,026
Others		
Interest accrued but not due on borrowings	3,305	1,053
Interest accrued but not due on debentures	191	313
Capital creditors	1,345	784
Advance received for sale of redeemable non-cumulative preference shares (refer note 35)	1,100	1,270
Purchase consideration payable	304	304
Other payables	58	-
Total	**15,184**	**5,750**

24 Other current liabilities	As at 31 March 2020	As at 31 March 2019
Provision for operation and maintenance equalisation	27	39
Other payables		
TDS payable	363	213
ESI Payable	0	-
GST payable	258	180
Labour welfare fund payable	1	0
Provident fund payable	13	11
Total	**662**	**443**

25 Short-term provisions	As at 31 March 2020	As at 31 March 2019
Provision for gratuity (refer note 33)	3	2
Provision for compensated absences	70	55
Total	**73**	**57**

(Amounts in INR millions, unless otherwise stated)

26 Revenue from operations	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Income from contract with customers		
Sale of power	3,855	2,925
Sale of services - management shared services	2,273	2,034
Total	**6,128**	**4,959**

27 Other income	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Interest income accounted at amortised cost		
- on fixed deposit with banks	850	341
- on loan to related parties (refer note 35)	4,494	2,730
- on loan to fellow subsidiaries - redeemable non cumulative preference shares (refer note 35)	1,395	119
- others	6	6
Government grant		
- generation based incentive	265	269
Compensation for loss of revenue	-	70
Gain on fair value change of mutual fund (including realised gain)	-	50
Miscellaneous income	9	-
Total	**7,019**	**3,585**

28 Employee benefits expense	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Salaries, wages and bonus	1,336	1,019
Contribution to provident and other funds	74	51
Share based payments (refer note 36)	195	277
Gratuity expense (refer note 33)	23	17
Staff Welfare Expenses	100	59
Total	**1,728**	**1,423**

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(Amounts in INR millions, unless otherwise stated)

29 Other expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
Legal and professional fees	161	390
Corporate social responsibility (refer note 38)	11	11
Travelling and conveyance	76	82
Rent	3	96
Printing and stationery	1	2
Management shared services	78	241
Rates and taxes	48	9
Payment to auditors *	6	33
Insurance	33	9
Operation and maintenance	262	112
Repair and maintenance		
- plant and machinery	14	11
Loss on sale of property plant & equipment and capital work in progress (net)	0	3
Advertising and sales promotion	44	44
Security charges	11	6
Communication costs	26	36
Amortization of option premium	214	-
Miscellaneous expenses	67	43
Total	**1,055**	**1,128**

*Payment to Auditors	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditor:		
Audit fee	3	3
Limited review	1	1
In other capacity:		
Certification fees	1	3
Other services #	17	41
Reimbursement of expenses	1	2
	23	**50**
Less: Other services transferred to unamortised ancillary cost of borrowings	(14)	-
Less: Reimbursement of expenses transferred to unamortised ancillary cost of borrowings	(1)	-
Less: Fees for other services pertaining to other subsidiaries (refer note 35)	(2)	(16)
Less: Reimbursement of expenses pertaining to subsidiaries (refer note 35)	(0)	(1)
	6	**33**

includes services received for capital market transactions.

30 Depreciation and amortization expense	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant & equipment (refer note 4)	1,060	701
Amortisation of intangible assets (refer note 5)	24	20
Depreciation of right of use assets (refer note 5A)	113	-
Total	**1,197**	**721**

(Amounts in INR millions, unless otherwise stated)

31 Finance costs

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense on		
- term loans	1,346	1,301
- loan from related party (refer note 35)	3,238	918
- acceptance	341	-
- on working capital demand loan	396	330
- listed senior secured notes	1,193	-
- debentures	2,256	2,832
- leases	36	-
- compulsorily convertible preference shares	2,285	-
- commercial papers	11	239
Bank charges	44	80
Unamortised ancillary borrowing cost written off*	127	6
Total	**11,273**	**5,706**

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

32 Earnings per share (EPS)

	For the year ended 31 March 2020	For the year ended 31 March 2019
The following reflects the profit and share data used for the basic and diluted EPS computations:		
Profit attributable to equity holders for basic earnings	(2,619)	54
Net profit/(loss) for calculation of basic EPS	(2,619)	54
Weighted average number of equity shares for calculating basic EPS	459,201,195	379,797,836
Basic earnings per share	(5.70)	0.14
Net profit/(loss) for calculation of diluted EPS	(2,619)	54
Weighted average number of equity shares for calculating diluted EPS	459,201,195	385,804,858
Diluted earnings per share*	(5.70)	0.14

		No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	(a)	379,924,556	379,797,836
Effect of dilution in calculating basic EPS and diluted EPS			
Compulsorily convertible preference shares	(b)	79,276,639	-
Weighted average number of equity shares in calculating basic EPS	**(c) = (a) + (b)**	**459,201,195**	**379,797,836**
Effect of dilution in calculating diluted EPS			
Convertible equity for employee stock option plan	(d)	4,866,286	6,007,022
Weighted average number of equity shares in calculating diluted EPS	**(e) = (c) + (d)**	**464,067,481**	**385,804,858**

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

(Amounts in INR millions, unless otherwise stated)

33 Gratuity and other post-employment benefit plans

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

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

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

Statement of profit and loss

Net employees benefit expense recognised in employee cost	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Current service cost	19	14
Interest cost on benefit obligation	5	3
Net expense recognised in profit & loss	**24**	**17**
Net expense/(income) recognised in other comprehensive income	11	(2)

Balance Sheet

Benefit liability	**As at 31 March 2020**	**As at 31 March 2019**
Present value of unfunded obligation	85	60
Net liability	85	60

	As at 31 March 2020	**As at 31 March 2019**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	60	9
Current service cost	19	14
Interest cost	5	3
Benefits paid	(10)	(0)
Remeasurements during the year due to:		
- Experience adjustments	2	(2)
- Change in financial assumptions	9	-
- Change in demographic assumptions	-	(0)
Liabilities settled/assumed *	-	36
Closing defined benefit obligation	85	60

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

* Liability transferred on account of transfer of certain employees from ReNew Power Services Private Limited.

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

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

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

Particulars	**Change in assumptions**	**As at 31 March 2020**	**As at 31 March 2019**
Discount rate	+ 0.5%	91	57
	- 0.5%	80	67
Salary escalation	+ 0.5%	90	63
	- 0.5%	80	58

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

Projected plan cash flow:

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

(Amounts in INR millions, unless otherwise stated)

Maturity Profile	As at 31 March 2020	As at 31 March 2019
Within next 12 months	3	2
From 2 to 5 years	22	16
From 6 to 9 years	25	20
10 years and beyond	183	152

The weighted average duration to the payment of these cash flows is 12.26 years (31 March 2019: 11.89 years).

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

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

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

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

Defined contribution plan:	For the year ended 31 March 2020	For the year ended 31 March 2019
Contribution to provident fund & other fund charged to statement of profit & loss*	74	56

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

34 Leases

As per Ind AS 17 applicable till period ended 31 March 2019
The Company has entered into commercial property lease for its offices. The lease have non-cancellable commitment period which has remaining term of 5 years. The Company has the option, under some of its leases, to lease the assets for additional terms of upto three years.

Future minimum rentals payables under non- cancellable operating lease (excluding lease equalisation reserve) are as follows:

Particulars	For the year ended 31 March 2019
Within one year	110
After one year but not more than five years	330

As per Ind AS 116 applicable from 1 April 2019
The Company has entered into leases for its offices and leasehold lands. Lease of offices and lands generally have lease terms of 5 to 17 years.
The Company also has certain leases of regional offices and office equipment with lease terms of 12 months or less and lease of office equipments with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

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

Particulars	For the year ended 31 March 2020
As at 1 April 2019 on account of adoption of Ind AS 116	385
Additions	10
Accretion of interest	37
Payments	(117)
Balance as on 31 March 2020	**315**

Refer note 3.2(a) for approach followed by the Company for transition to Ind AS 116.

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

Operating lease commitments as at 31 March 2019	440
Weighted average incremental borrowing rate as at 1 April 2019	10.40%
Discounted operating lease commitments as at 1 April 2019	366
Add: Lease liabilities of lease hold land and regional office not considered in operating lease commitment	19
Lease liabilities as at 1 April 2019	**385**

a) There are no restrictions or covenants imposed by leases.
b) Refer note 29 for rental expense recorded for short-term leases and low value leases for the year ended 31 March 2020.
c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2020.
d) The maturity analysis of lease liabilities are disclosed in note 42.
e) There are no leases which have not yet commenced to which the lessee is committed (if any).

35 Related party disclosure

a) Names of related parties and related party relationship:

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

I. Subsidiaries

ReNew Wind Energy (AP 3) Private Limited
ReNew Solar Power Private Limited
ReNew Wind Energy (MP) Private Limited
ReNew Wind Energy (Varekarwadi) Private limited
ReNew Wind Energy Delhi Private limited
ReNew Wind Energy (Jamb) Private Limited
ReNew Wind Energy (Devgarh) Private limited
ReNew Wind Energy (AP) Private Limited
ReNew Wind energy (Vaspet 5) Private Limited
Narmada Wind Energy Private Limited
ReNew Wind Energy (Sipla) Private Limited
ReNew Wind Energy (Jath) limited
ReNew Wind energy (Karnataka Two) Private Limited
Abaha Wind Energy Developers Private Limited
ReNew Solar Energy Private Limited
ReNew Wind Energy (TN) Private Limited
ReNew Wind Energy (MP One) Private Limited
ReNew Wind Energy (Shivpur) Private limited
ReNew Wind Energy (Karnataka) Private limited
ReNew Wind Energy (Rajasthan One) Private Limited
ReNew Wind Energy (Rajasthan 3) Private Limited
Bidwal Renewable Private Limited
Kanak Renewables Limited
Rajat Renewables Limited
Pugalur Renewable Private Limited
ReNew Wind energy (Rajasthan 2) Private Limited
ReNew Wind Energy (MP Two) Private Limited
ReNew Wind Energy (Jath Three) Private Limited
ReNew Wind energy (AP2) private Limited
ReNew Wind Energy (Orissa) Private Limited
ReNew Wind Energy (AP 4) Private Limited
ReNew Wind Energy (Welturi) Private limited
ReNew Wind Energy (Rajkot) Private limited
ReNew Wind Energy (Jadeswar) Private limited
Helios Infratech Private Limited
Shruti Power Projects Private Limited
ReNew Power Singapore PTE Limited
ReNew Vayu Urja Private Limited (formerly known as KCT Renewable Energy Private Limited)
Molagavalli ReNewable Private Limited
ReNew Power Services Private Limited
Zemira Renewable Energy Limited
ReNew Transmission Ventures Private Limited
ReNew Americas Inc (incorporated w.e.f. 9 July 2018)
ReNew Power International Limited (incorporated w.e.f. 15 October 2018)
ReNew Vyoman Power Private Limited (incorporated w.e.f. 7 January 2020)
ReNew Vyoman Energy Private Limited (incorporated w.e.f. 7 January 2020)
ReNew Wind Energy (Karnataka Five) Private Limited
ReNew Wind Energy (Rajasthan) Private limited
ReNew Services Private Limited (incorporated w.e.f. 20 April 2019)
ReNew Vyan Shakti Private Limited (incorporated w.e.f. 4 February 2020)

II. Step down subsidiaries

Bhumi Prakash Private Limited
ReNew Distributed Solar Energy Private Limited
ReNew Distributed Solar Services Private Limited
ReNew Distributed Solar Power Private Limited
ReNew Surya Mitra Private Limited
ReNew Surya Prakash Private Limited
ReNew Saur Vidyut Private Limited
ReNew Wind Energy (MP Four) Private limited
ReNew Solar Daylight Energy Private Limited
ReNew Solar Sun Flame Private Limited
ReNew Wind Energy (TN 2) Private Limited
ReNew Akshay Urja Limited
ReNew Solar Energy (Jharkhand One)Private Limited
ReNew Solar Energy (Jharkhand Three)Private Limited
ReNew Solar Energy (Jharkhand Four) Private Limited
ReNew Solar Energy (Jharkhand Five) Private Limited
ReNew Wind energy (Budh 3) Private Limited
ReNew Solar Energy (Telangana) Private Limited
ReNew Solar Energy (Karnataka Two) Private Limited
ReNew Wind Energy (Karnataka 3) Private Limited
ReNew Wind Energy (Rajasthan four) Private limited
ReNew Clean Energy Private limited
ReNew Wind Energy (AP Five) Private limited
ReNew Solar Energy (TN) Private Limited
Tarun Kiran Bhoomi Private Limited
ReNew Wind Energy (Karnataka 4) Private Limited
ReNew Wind Energy (Maharashtra) Private Limited
ReNew Solar Energy (Rajasthan) Private Limited
ReNew Solar Energy (Karnataka) Private Limited
ReNew Wind Energy (MP Three) Private Limited
ReNew Saur Urja Private Limited
ReNew Solar Services Private Limited
ReNew Saur Shakti Private Limited
ReNew Mega Solar Power Private Limited
ReNew Agni Power Private limited
Lexicon Vanijya Private Limited
Symphony Vyapaar Private Limited
Star Solar Power Private Limited
Sungold Energy Private Limited
Nokor Bhoomi Private Limited
Vivasvat Solar Energy Private Limited
Nokor Solar Energy Private Limited
Akhilagya Solar Energy Private Limited
Abha Sunlight Private Limited
Izra Solar Energy Private Limited
Greenyana Sunstream Private Limited (acquired w.e.f. 13 August 2019)
Zorya Solar Energy Private Limited
Adyah Solar Energy Private Limited
Ostro Energy Private Limited
Ostro Jaisalmer Private Limited
Ostro Renewables Private Limited
Ostro Urja Wind Private Limited
Ostro Dakshin Power Private Limited
Ostro Raj Wind Private Limited
Ostro Rann Wind Private Limited
Ostro Dhar Wind Private Limited
Ostro Bhesada Wind Private Limited
Ostro Alpha Wind Private Limited
Ostro Kannada Power Private Limited
Ostro Andhra Wind Private Limited
Ostro AP Wind Private Limited
Ostro Madhya Wind Private Limited
Ostro Kutch Wind Private Limited
Badoni Power Private Limited
AVP Powerinfra Private Limited
Ostro Anantapur Private Limited
Ostro Mahawind Power Private Limited
Zorya Distributed Power Services Private Limited (incorporated w.e.f. 20 November 2018)
Auxo Solar Energy Private Limited (incorporated w.e.f. 8 June 2018)
ReNew Clean Tech Private Limited (incorporated w.e.f. 28 January 2019)
ReNew Sun Ability Private Limited (incorporated w.e.f. 20 February 2019)
ReNew Sun Bright Private Limited (incorporated w.e.f. 29 March 2019)
ReNew Sun Flash Private Limited (incorporated w.e.f. 14 March 2019)
ReNew Sun Energy Private Limited (incorporated w.e.f. 29 March 2019)
Auxo Sunlight Private Limited (incorporated w.e.f. 26 March 2019)
ReNew Mega Light Private Limited (incorporated w.e.f. 28 March 2019)
ReNew Sun Waves Private Limited (incorporated w.e.f. 14 March 2019)
ReNew Green Solutions Private Limited (incorporated w.e.f. 22 August 2019)
ReNew Mega Spark Private Limited (incorporated w.e.f. 20 June 2019)
ReNew Surya Roshni Private Limited (incorporated w.e.f. 12 February 2020)
ReNew Sun Power Private Limited (incorporated w.e.f. 6 May 2019)
ReNew Surya Ojas Private Limited (incorporated w.e.f. 19 November 2019)
ReNew Green Power Private Limited (incorporated w.e.f. 12 September 2019)
Prathamesh Solarfarms Limited (w.e.f. 30 January 2019) #
ReNew Green Energy Private Limited (incorporated w.e.f. 4 July 2019)
ReNew Mega Urja Private Limited (incorporated w.e.f. 21 June 2019)
ReNew Mega Green Private Limited (incorporated w.e.f. 5 July 2019)
Shekhawati Solar Park Private Limited (acquired w.e.f. 3 December 2019)
ReNew Solar Urja Private Limited (incorporated w.e.f. 19 November 2019)
ReNew Surya Vihaan Private Limited (incorporated w.e.f. 13 February 2020)
ReNew Energy Services Private Limited (formerly known as Sun Source Energy Services Private Limited)

(Amounts in INR millions, unless otherwise stated)

III. Entities under joint control

Heramba Renewables Limited
Abha Solarfarms Limited
Shreyas Solarfarms Limited
Aalok Solarfarms Limited
Prathamesh Solarfarms Limited (ceased w.e.f. 30 January 2019) #

Investment purchased from Joint Venture partners and converted as step subsidiary from the date mentioned

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

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

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

Cognisa Investment
Wisemore Advisory Private Limited
ReNew Foundation

b) Related Party transactions and balances outstanding:

	for the year ended 31st March 2020		for the year ended 31st March 2019	
	Expenses made	**Management Shared Services #**	**Expenses made**	**Management Shared Services #**
a. Management shared services received and expenses incurred on behalf of the Company by related parties:	10	78	110	284

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

	31st March 2020	31st March 2019
	Trade Payable	**Trade Payable**
Outstanding balance	100	336

	for the year ended 31st March 2020			for the year ended 31st March 2019		
	Expenses on Behalf	**Management Shared Services***	**Reimbursement Of Expenses**	**Expenses on Behalf**	**Management Shared Services***	**Reimbursement Of Expenses**
b. Rendering of management shared services, reimbursement of expenses and expenses incurred on behalf of various subsidiaries by the Company:-	215	2,682	329	795	2,401	270

* Inclusive of service tax and GST of INR 409 (31 March 2019: INR 366)

	for the year ended 31st March 2020		for the year ended 31st March 2019	
	Sale of Consumables	**Purchase of Consumables**	**Sale of Consumables**	**Purchase of Consumables**
Consumable purchase and Consumable sale by the Company from related parties during the period	1	14	-	-

	for the year ended 31st March 2020		31st March 2020	for the year ended 31st March 2019		31st March 2019
	Fixed assets sold	**Fixed Assets Purchased**	**Capital Creditors**	**Fixed assets sold**	**Fixed Assets Purchased**	**Capital Creditors**
Fixed Asset purchased and fixed asset sold by the Company from related parties during the period/year and outstanding balance thereof	7	1	1	1	1	1

	31st March 2020		31st March 2019	
	Trade Receivable	**Recoverable from Related Parties**	**Trade Receivable**	**Recoverable from Related Parties**
Balance reoverable as at the year end from various subsidiaries	3,552	1,581	3,245	1,157

	for the year ended 31st March 2020			for the year ended 31st March 2019		
	Expenses on Behalf	**Management Shared Services**	**Reimbursement Of Expenses**	**Expenses on Behalf**	**Management Shared Services**	**Reimbursement Of Expenses**
Rendering of management shared services, reimbursement of expenses and expenses incurred on behalf of various jointly controlled entities by the Company:-	0	-	-	3	-	-

	31st March 2020		31st March 2019	
	Trade Receivable	**Recoverable from Related Parties**	**Trade Receivable**	**Recoverable from Related Parties**
Balance reoverable as at the year end from various jointly controlled entities	-	3	-	3

(Amounts in INR millions, unless otherwise stated)

c. Investment made in subsidiaries

Particulars	for the year ended 31st March 2020	for the year ended 31st March 2019
Investment in Equity Shares	5,534	2,624
Deemed Investment- Share based Payment	5	11
Investment in Compulsorily Convertible Preference Shares	561	-
Investment in Optionally Convertible Redeemable Preference Shares	5,846	2,700
Investment in Redeemable Preference Shares	-	1,147
Total	**11,945**	**6,482**

	for the year ended 31st March 2020	for the year ended 31st March 2019
Sale of Investment of redeemable non-cumulative preference shares in ReNew Power Services Private Limited:	450	828

	31st March 2020	31st March 2019
Advance received for sale of redeemable non-cumulative preference shares and oustanding as at the year ended:	1,100	1,270

	31st March 2020	31st March 2019
Advance paid for purchase of redeemable non-cumulative preference shares and oustanding as at the year ended:	668	-

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

	for the year ended 31st March 2020	for the year ended 31st March 2019
Share Application money paid to subsidiaries during the year	10,974	8,305

	for the year ended 31st March 2020	for the year ended 31st March 2019
Share Application money refunded by subsidiaries during the year	382	486

	31st March 2020	31st March 2019
Share Application Money Pending Allotment	-	1,348

	for the year ended 31st March 2020			31st March 2020	
	Loan Taken	Repayment Made	Interest Expenses*	Loan Outstanding	Interest accrued
e. Loans Taken & Repayment thereof and balances outstanding to various subsidiaries	41,526	16,111	3,223	52,678	2,808

* Amount does not include interest amounting Nil (31 March 2019: 103), which has been waived off by the related party.

	for the year ended 31st March 2020			for the year ended 31st March 2020	
	Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
Loans Taken & Repayment thereof and balances outstanding to various jointly controlled entities	43	30	15	190	15

	for the year ended 31st March 2019			31st March 2019	
	Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
Loans Taken & Repayment thereof and balances outstanding to various subsidiaries	34,758	8,931	916	27,264	1,019

	for the year ended 31st March 2019			for the year ended 31st March 2019	
	Loan Taken	Repayment Made	Interest Expenses	Loan Outstanding	Interest accrued
Loans Taken & Repayment thereof and balances outstanding to various jointly controlled entities	210	33	2	177	2

	for the year ended 31st March 2020			31st March 2020	
	Loan given	Repayment received	Interest income	Loan outstanding	Accrued interest
f. Loans given & repayment thereof and balances outstanding	88,506	49,421	4,494	79,959	7,077

	for the year ended 31st March 2019			31st March 2019	
	Loan given	Repayment received	Interest income	Loan outstanding	Accrued interest
Loans given & repayment thereof and balances outstanding	65,659	49,104	2,730	40,874	3,248

(Amounts in INR millions, unless otherwise stated)

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

	31 March 2020		31 March 2019	
	Interest income	Loan outstanding	Interest income	Loan outstanding
Transactions and balances with subsidiaries on interest on loan (redeemable non cumulative preference shares)	1,395	14,582	119	23,320

Remuneration to key managerial personnel (KMP) and relatives of KMPs:	for the year ended 31st March 2020	for the year ended 31st March 2019
Remuneration to key managerial personnel and relatives of KMPs	413	454

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

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

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

	for the year ended 31st March 2020	for the year ended 31st March 2019
j. Contribution for CSR activities made to ReNew Foundation during the year ended at:	3	0

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

31 March 2020	31 March 2019
152,371	119,840

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36 Share Based Payment

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

The relevant terms of the ESOP schemes are as below:

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

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

Particulars	**No of options (in million)**	
	2019-20	**2018-19**
Outstanding at the beginning of the year	19	21
Granted during the year	1	1
Forfeited during the year	2	0
Repurchase during the year	-	-
Exercised during the year	-	3
Outstanding at the end of the year	18	19
Exercisable at the end of the year	9	9

- The weighted average exercise price of these options outstanding was INR 280 for the year ended 31 March 2020 (31 March 2019: INR 258).
- The weighted average exercise price of these options granted during the year was INR 400 for the year ended 31 March 2020 (31 March 2019: INR 415)
- There are no options exercised during the current year. The weighted average exercise price of options exercised during 31 March 2019 was INR 100.
- The weighted average exercise price of these options forfeited during the year was INR 172 for the year ended 31 March 2020 (31 March 2019: INR 226).
- The weighted average exercise price of excercisable options was INR 206 for the year ended 31 March 2020 (31 March 2019: INR 178).

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

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

(Amounts in INR millions, unless otherwise stated)

37 Segment Information

The Chairman and Managing Director of ReNew Power Limited takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker.
The Company is in the business of development and operation of wind and solar power plant. Considering the nature of Company's business and operation, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

The Revenues from four major customers amounts to INR 3,848 (three major customers in year ended 31 March 2019: INR 2,917) each of which contributes more than 10% of the total revenue of the Company.

38 Corporate social responsibility expenditure

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

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

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

(a) Gross amount required to be spent by the Company during the year is INR 8 (31 March 2019: INR 11).
(b) Amount spent during the year on:

List of CSR activities	In Cash	Yet to be paid	Total
Current year			
Construction / Acquisition of any asset	-	-	-
Other activities	10	1	11
Total	**10**	**1**	**11**
Previous year*			
Construction / Acquisition of any asset	3	3	6
Other activities	5	0	5
Total	**8**	**3**	**11**

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

(Amounts in INR million, unless otherwise stated)

39 Hedging activities and derivatives

Derivatives designated as hedging instruments

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

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

Cash flow hedges

Hedge has been taken against exposure to foreign currency risk and variable interest outflow on External Commercial Borrowings. Terms of the swaps and their respective impact on OCI and statement of profit and loss is as below:-

-Notes (included in Long-term borrowings)
Pay fixed INR and receive USD and pay fixed interest in INR at 6.34% to 7.18% p.a. and receive a fixed interest in USD at 5.88% to 6.45% on the notional amount.

The cash flow hedges through COS of USD 750,000,000, Call Option of USD 750,000,000 and forwards of USD 2,902,500 outstanding at the year ended 31 March 2020 were assessed to be highly effective and cumulative impact of mark to market gain and restatement of hedged item is INR 168 (31 March 2019: Nil) with a deferred tax Liability of INR 1015 (31 March 2019: Nil), is included in OCI.

Mark to market loss on ineffective portion of hedge of swaps for the year ended March 31 2020 Nil (March 31 2019: INR Nil) has been charged to the Statement of Profit and Loss.

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 2020		31 March 2019	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Cross currency interest rate swaps designated as hedging instruments	3,254	-	-	-

Hedging reserve movement	**As at 31 March 2020**	**As at 31 March 2019**
Balance at the beginning of the year	-	-
Gain/(loss) recognised on cash flow hedges	168	-
Income tax relating to gain/loss recognized on cash flow hedges	(1,015)	-
Balance at the end of the year	**(847)**	**-**

(Amounts in INR millions, unless otherwise stated)

40 Fair values

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

	31 March 2020		31 March 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Investments, unquoted debt securities	14,592	14,592	4,909	4,909
Loans- non current	20,655	20,655	3,076	3,076
Share application money pending allotment	-	-	1,263	1,263
Interest accrued on loans to subsidiaries	-	-	356	356
Trade receivables	4,615	4,615	3,638	3,638
Cash and cash equivalent	2,916	2,916	280	280
Bank balances other than cash and cash equivalent	13,920	13,920	4,283	4,283
Bank deposits with remaining maturity for more than twelve months	79	79	60	60
Loans- current	73,960	73,960	61,187	61,187
Other current financial assets	9,840	9,840	4,597	4,597
Measured at FVOCI				
Derivative instruments	3,254	3,254	-	-
Financial liabilities				
Measured at amortised cost				
Non Convertible Debentures (secured) (NCDs)	6,414	6,414	24,194	24,194
Acceptances (unsecured)	-	-	4,904	4,904
Term loan from bank (secured)	1,308	1,308	14,252	14,252
Term loan from financial institutions (secured)	2,884	2,884	-	-
Listed senior secured notes	56,037	56,037	-	-
Liability component of compulsorily convertible preference shares	23,200	23,200	-	-
Short-term borrowings	55,027	55,027	31,909	31,909
Trade payables	1,105	1,105	984	984
Other current financial liabilities	15,184	15,184	5,750	5,750

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

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

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

i The fair values of the Company's non convertible debentures, acceptances, term loans from banks, term loans from financial institutions and listed senior secured notes including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2020 was assessed to be insignificant.

ii The fair values of the liability component of compulsory convertible preference shares including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. The own non-performance risk as at 31 March 2020 was assessed to be insignificant.

iii The fair values of the Company's investments and security deposits are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the lending rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

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

41 Fair value hierarchy

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

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

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

	Level of fair value measurement	31 March 2020		31 March 2019	
		Carrying value	Fair value	Carrying value	Fair value
Measured at fair value through other comprehensive income					
Derivative instruments	Level 2	3,254	3,254	-	-
Total		-	-	-	-
Financial assets measured at amortised cost					
Financial Assets (Non current): Loans					
Investments, unquoted debt securities	Level 3	14,592	14,592	4,909	4,909
Security deposits	Level 3	69	69	61	61
Loan to subsidiaries	Level 3	6,004	6,004	1,769	1,769
Loan to subsidiaries - redeemable non cumulative preference shares	Level 3	14,582	14,582	1,246	1,246
Total		**35,247**	**35,247**	**7,985**	**7,985**
Financial Assets (Non current): Others					
Bank deposits with remaining maturity for more than twelve months	Level 3	79	79	60	60
Total		**79**	**79**	**60**	**60**

(Amounts in INR millions, unless otherwise stated)

	Level of fair value measurement	31 March 2020		31 March 2019	
		Carrying value	Fair value	Carrying value	Fair value
Financial liabilities measured at amortised cost					
Long-term borrowings					
Non Convertible Debentures (secured) (NCDs)	Level 3	6,414	6,414	24,194	24,194
Acceptances (unsecured)	Level 3	-	-	4,904	4,904
Term loan from bank (secured)	Level 3	1,308	1,308	14,252	14,252
Term loan from financial institutions (secured)	Level 3	2,884	2,884	-	-
Listed senior secured notes	Level 3	56,037	56,037	-	-
Liability component of compulsorily convertible preference shares	Level 3	23,200	23,200	-	-
Total		**89,843**	**89,843**	**43,350**	**43,350**

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

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(Amounts in INR millions, unless otherwise stated)

42 Financial Risk Management objectives and policies

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

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

(a) Market Risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2020. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt are all constant as at 31 March 2020.

(b) Interest rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk primarily from the external borrowings that are used to finance their operations. The Company also monitors the changes in interest rates and actively re finances its debt obligations to achieve an optimal interest rate exposure.

Interest Rate Sensitivity

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

	31 March 2020		31 March 2019	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+/(-)50	(-)/+ 86	+/(-)50	(-)/+ 72
	Increase/decrease in basis points	Effect on equity	Increase/decrease in basis points	Effect on equity
INR	+/(-)50	(-)/+ 59	+/(-)50	(-)/+ 49

(c) Foreign Currency Risk:

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

(d) Credit Risk

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

Further the Company sought to reduce counterparty credit risk under long-term contracts in part by entering into power sales contracts with utilities or other customers of strong credit quality and we monitor their credit quality on an on going basis.
The maximum credit exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amount of all the financial assets.

Trade Receivables

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

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

Financial instruments and credit risk

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

(Amounts in INR millions, unless otherwise stated)

(e) Liquidity Risk

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

The Company rely mainly on long-term debt obligations to fund their construction activities. To the extent available at acceptable terms, utilized non-recourse debt to fund a significant portion of the capital expenditures and investments required to construct and acquire our wind and solar power plants and related assets. The Company's non-recourse financing is designed to limit default risk and is a combination of fixed and variable interest rate instruments. In addition, the debt is typically denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk. The majority of non-recourse debt is funded by banks and financial institutions, with debt capacity supplemented by unsecured loan from related party.

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

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

* Including future interest payments.

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

Year ended 31 March 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings						
Term loan from banks*	-	-	-	15,791	-	15,791
Non convertible debentures*	-	-	-	25,055	3,615	28,670
Acceptances	-	-	-	5,065	-	5,065
Short term borrowings						
Loans from related party	27,440	-	-	-	-	27,440
Working capital demand loans	-	1,969	2,500	-	-	4,469
Other financial liabilities						
Current maturities of long term borrowings*	-	734	5,135	-	-	5,869
Interest accrued but not due on borrowings	1,020	33	-	-	-	1,053
Interest accrued but not due on debentures	-	197	116	-	-	313
Capital Creditors	-	784	-	-	-	784
Purchase consideration payable	304	-	-	-	-	304
Trade payables						
Trade payables	336	648	-	-	-	984

* Including future interest payments.

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

43 Significant accounting judgments, estimates and assumptions

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

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

A) Accounting judgements:

Taxes

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

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

Depreciation on property, plant and equipment

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

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

B) Estimates and assumptions:

Fair value measurement of financial instruments

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

Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 40 and 41 for further disclosures.

Related party transactions

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

Management Shared Services

Employee benefit costs and other common expenses are incurred by the Company. These expenses are allocated to all the entities of the Group in the form of 'Management Shared Services'. Allocation of cost to the entities involves various estimates including retention, allocation of cost for projects under construction vis-a-vis operating projects, profit mark-up which are assessed through an external expert.

Financial instrument

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

Inter-group unsecured loan

The Group uses unsecured loans to fund requirements of various entities. These loans carry interest rate higher than a return expected from 10-year government bond yield.

44 Capital management

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

The Company manage their capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

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

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

In order to achieve this overall objective, the capital management of the Company, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

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

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

(i) Contingent liabilities
The Company has contingent liability of INR 73 on account of liquidated damages for delay in commissioning of wind power projects. The management believes that any amount of liquidated damages to be levied by customer shall be entirely reimbursable from capital vendors of respective projects as per the terms of the agreement (31 March 2019: Nil).

(ii) Commitments:
Estimated amount of contracts remaining to be executed on capital account and not provided for
At 31 March 2020, the Company has capital commitment (net of advances) pertaining to commissioning of wind energy projects of INR 1,290 (31 March 2019: INR 6,432).

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

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

Particulars	As at 31 March 2020	As at 31 March 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year/period	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year/period	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year/period; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

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

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

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

AMIT CHUGH
Digitally signed by AMIT CHUGH
DN: cn=AMIT CHUGH, c=IN, o=Personal, email=amit.chugh@srb.in
Location: Gurugram
Date: 2020.06.08 23:33:37 +05'30'

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

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

SUMANT SINHA
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Date: 2020.06.08 22:41:49 +05'30'

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

MUTHUKUMARAN DORAISWAMI
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Date: 2020.06.08 22:42:15 +05'30'

(D Muthukumaran)
Chief Financial Officer

Place: Gurugram
Date: 08 June 2020

ASHISH JAIN
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Date: 2020.06.08 23:04:52 +05'30'

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