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 Consolidated Financial statements

Opinion

We have audited the accompanying consolidated Financial statements of ReNew Power Private Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint controlled entities which comprise the consolidated Balance sheet as at 31 March 2021, the consolidated Statement of Profit and Loss, including the other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its jointly controlled entities as at 31 March 2021, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter – Litigation

We draw attention to Note 51 (a) to the Consolidated Financial Statements, related to the recoverability of dues under litigation amounting to Rs. 14,167 million from Southern Power Distribution Company of A.P. Limited by certain subsidiary companies of the Group (the "AP entities"). The AP Entities have filed writ petition and writ appeal before the Hon'ble High Court of Andhra Pradesh related to these matters. Pending the outcome of the cases, which is not presently determinable, no adjustment has been made to the Consolidated Financial Statements. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Financial statements for the financial year ended 31 March 2021. These matters were addressed in the context of our audit of the consolidated Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	**How our audit addressed the key audit matter**
Impairment of Goodwill *(as described in Note 6 of the consolidated Financial statements)*	
The Group's balance sheet includes Rs 11,583 million of goodwill, representing 2% of total Group assets. In accordance with Ind AS, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include: - Projected revenue; - Projected costs and - Discount rates. The impairment test model includes sensitivity testing of key assumptions, including , operating margin and discount rate. Management has factored impact of COVID-19 on these CGU's. The annual impairment testing is considered a significant accounting	Our audit procedures included the following: • Obtained management's assessment for testing of goodwill for impairment and performed test of design and operating effectiveness of controls through inspection of evidence of performance of these controls. • We obtained an understanding of the Group's methodology applied in determining the CGUs to which goodwill is allocated. In making this assessment, we also evaluated the objectivity of Group's internal specialists involved in the process. • We assessed the impairment test model prepared by management and the assumptions used by performing the following procedures: o benchmarking or assessing key market related assumptions used in the impairment models, including weighted average cost of capital; • assessing the key drivers of the cash flow forecasts including projected revenue, operation & maintenance cost, management shared service cost, debt equity ratio, cost of debt and equity and salvage value through analysis of actual past

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<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future performance of the plants which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.</td><td>performance and comparison to previous forecasts;
o involving our valuation specialists who assisted us in assessing key assumptions such as discount rates and external market data, valuation methodology and performing sensitivity analyses on key inputs, including future revenue, operating and maintenance expenses and discount rate
o assessing the recoverable value headroom by performing sensitivity testing of key assumptions used;
o testing the arithmetical accuracy of the models.
• We read and assessed the adequacy of the related disclosures in the consolidated financial statements.</td></tr>
<tr><td colspan="2"><u>Debt repayment obligations and liquidity</u> (as described in Note 48 (c) of the consolidated Financial statements)</td></tr>
<tr><td>External funding in the form of long term and short-term borrowings, are an integral part of the Group's business model as it is the key source of funds used by the business to fund its projects and operations. Borrowings represent the largest liability on the balance sheet. As at March 31, 2021, the Group's borrowings amount to 73% of the balance sheet total and its Debt is to Equity ratio is 81%. Out of total external borrowings, the following are due for repayment over next 12 months:
a. INR 15,008 million is the current maturities of long-term borrowings, and
b. Various working capital facilities amounting to INR 19,643 million.

We have identified the Group's ability to service the debt repayment obligations and liquidity as a key audit matter because of the subjective elements such as:
• estimate of expected future cash flows,</td><td>Our audit procedures include the following:
• We obtained an understanding of the process followed by the management for preparation and approval of cash flow forecast, inputs used in the model to estimate the future cash flows as well as the sensitivity analysis prepared in this context.
• We discussed with management and assessed the assumptions and judgements used in the estimate of future cash flows having regards to past performance and current emerging business trends affecting the business and industry. We did this assessment with reference to budgets and the underlying substantiations.
• We assessed the maturity profile of the Group's borrowings to test that loans maturing within the next twelve months were classified in current liabilities.
• We obtained an understanding of management's assessment for repayment of obligations due over next 12 months. We compared the repayment obligations with that considered in the future cash flows.
• We assessed the Group's ability to refinance its obligation based on the past trends, credit</td></tr>
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GURUGRAM

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<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>
realization of existing and future receivables,
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>
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>
<tr><td colspan="2">Recoverability of <u>deferred tax assets and reversal of deferred tax liabilities</u> - (as described in Note 10 of the Financial statements)</td></tr>
<tr><td>
The Group recognised deferred tax assets (net) of INR 2,046 million and deferred tax liabilities (net) of INR 8,593 million as at March 31, 2021. The Group recognizes deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. The Group recognizes deferred tax liabilities to the extent that such amounts are expected to be reversed after availment of deduction under tax holiday in future years.

Auditing the Group's assessment of the recoverability of deferred tax assets and the reversal of deferred tax liabilities is complex and dependent on the Group's ability to generate future taxable profit against which all such assets and liabilities can be utilized. Significant judgement and estimation are exercised by management to assess the sufficiency of future taxable income and likelihood of the realization of these assets and reversal of liabilities. Predicting future taxable income is dependent on assumptions and judgement regarding:
future revenue,
</td><td>
To assess the future projections of taxable income estimated by the management to support the recognition of the deferred tax assets and deferred tax liabilities, our procedures included, among others,
assessment of the reasonability of future cash flow projections including the Group's assumptions.
sensitivity analysis in relation to the likelihood of generating sufficient future taxable income, taking into account local tax regulations and evaluated the historical accuracy of management's forecast of taxable profits by comparison to actual results, and the consistency of those projections with the projections used in other areas of estimation, such as for example those used for the impairment assessment of Goodwill.
obtaining Group's sensitivity analysis over the PLF which is a key assumption to assess its impact on the forecast of the future taxable income.
involvement of our tax specialist who assisted us in the assessment of temporary differences determined by management on which deferred tax assets or deferred tax liabilities need to be recognized.
testing the completeness and accuracy of the deferred tax assets and deferred tax liabilities and assessing the adequacy of the disclosures made by the Group on the expected
</td></tr>
</table>

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Key audit matters	How our audit addressed the key audit matter
• projected operating and maintenance and finance costs, • future proposed availment of deduction under tax holiday and the period over which deduction shall be availed, • usage of brought forward losses and minimum alternate tax credit. These assumptions are forward looking and could be affected by future economic and market conditions.	recoverability of the deferred tax assets and reversal of deferred tax liabilities.

Other Information

The Holding 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 consolidated Financial statements and our auditor's report thereon. The director's report is expected to be made available to us after the date of auditor report. When we read the Director report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Board of Directors and take appropriate actions applicable under the applicable laws and regulations.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate

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accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures/joint operations[1] are responsible for assessing the Group's and its jointly controlled entities' ability of the Group and of its associates and joint ventures/joint operations to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its jointly controlled entities or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures/joint operations are also responsible for overseeing the Group's and its jointly controlled entities' financial reporting process of the Group and of its jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

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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 Group's and its jointly controlled entities' 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 Group and its jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Financial statements, including the disclosures, and whether the consolidated Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entities of which we are the independent auditors, to express an opinion on the consolidated Financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Financial statements for the financial year ended 31 March 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 92 subsidiaries, whose Financial statements include total assets of Rs. 122,047 million as at 31 March 2021, and total revenues of Rs. 10,928 million and net cash outflows of Rs. 463 million for the year ended on that date. These Ind AS financial statement and other financial information have been

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audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of such other auditors.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and jointly controlled entities, none of the directors Group's companies and jointly controlled entities, incorporated in India, is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

S.R. BATLIBOI & CO. LLP * GURUGRAM

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group including its jointly controlled entities incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and entities under joint control, the managerial remuneration for the year ended 31 March 2021 has been paid / provided by the Holding company, its subsidiaries, jointly controlled entities incorporated in India to their directors in accordance with the provision of section 197 read with Schedule V to the Act;

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

  i. The consolidated Financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its jointly controlled entities in its consolidated Financial statements – Refer Note 50 (i) to the consolidated Financial statements;

  ii. The Group and its jointly controlled entities have 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 54 to the consolidated Financial statements,

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by by the Holding Company, its subsidiaries and jointly controlled entities incorporated in India during the year ended 31 March 2021.

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

per Amit Chugh
Partner
Membership Number: 505224

S.R. BATLIBOI & CO. LLP
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UDIN: 21505224AAAAEW5491
Place of Signature: Gurugram
Date: 29 July 2021

Annexure 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 (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities as of 31 March 2021 in conjunction with our audit of the consolidated financial statements of the Group and its jointly controlled entities for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Group and its jointly controlled entities' Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Group'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 Group's internal financial controls over financial reporting with reference to these consolidated Financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 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 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 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.

S.R. BATLIBOI & CO. LLP
GURUGRAM

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

Meaning of Internal Financial Controls over Financial Reporting with Reference to these consolidated Financial statements

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

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

Opinion

In our opinion, the Group and its jointly controlled entities have, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated Financial statements and such internal financial controls over financial reporting with reference to these consolidated Financial statements were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

S. R. BATLIBOI & CO. LLP
GURUGRAM

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these 73 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

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

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 21505224AAAAEW5491
Place of Signature: Gurugram
Date: 29 July 2021

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

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	5	321,011	301,239
Capital work in progress	5	10,407	17,901
Goodwill	6	11,583	11,381
Other intangible assets	6	24,759	24,536
Intangible assets under development	6	55	53
Right of use assets	7	4,296	4,724
Investment in jointly controlled entities	8	-	524
Financial assets			
Investment	9	-	624
Trade receivables	15	1,178	-
Loans	9	158	126
Others	9	2,702	142
Deferred tax assets (net)	10A	2,046	1,418
Prepayments	11	580	1,122
Non-current tax assets (net)		2,679	3,620
Other non-current assets	12	7,685	5,662
Total non-current assets		**389,139**	**373,072**
Current assets			
Inventories	13	833	609
Financial assets			
Derivative instruments	14	2,691	8,718
Trade receivables	15	34,768	26,071
Cash and cash equivalent	16	20,750	13,089
Bank balances other than cash and cash equivalent	16	26,732	31,203
Loans	9	38	10
Others	9	3,698	2,718
Prepayments	11	631	846
Other current assets	12	2,432	1,808
Total current assets		**92,573**	**85,072**
Total assets		**481,712**	**458,144**
Equity and liabilities			
Equity			
Equity share capital	17A	3,799	3,799
Other equity			
Securities premium	18A	67,165	67,165
Capital reserve	18B	(175)	(110)
Debenture redemption reserve	18C	1,602	2,296
Hedge reserve	18D	(5,224)	(1,086)
Share based payment reserve	18E	1,165	1,161
Foreign currency translation reserve	18F	10	12
Retained earnings / (losses)	18G	(13,832)	(5,953)
Equity attributable to owners of the parent		**54,510**	**67,284**
Non-controlling interests		2,245	3,810
Total equity		**56,755**	**71,094**
Non-current liabilities			
Financial liabilities			
Long-term borrowings	19	341,582	323,526
Lease liabilities	20	1,782	1,386
Others	28	132	-
Deferred government grant	21	719	810
Contract liabilities	22	1,375	12
Provisions	23	13,823	103
Deferred tax liabilities (net)	10B	8,593	8,467
Other non-current liabilities	24	2,737	2,940
Total non-current liabilities		**370,743**	**337,244**

ReNew Power Private Limited

S.R. BATLIBOI & CO. LLP GURUGRAM

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

	Notes	As at 31 March 2021	As at 31 March 2020
Current liabilities			
Financial liabilities			
Short-term borrowings	25	19,643	12,191
Lease liabilities	20	321	251
Trade payables	26		
Outstanding dues to micro enterprises and small enterprises		60	52
Others		3,107	3,638
Derivative instruments	27	1,069	-
Other current financial liabilities	28	27,146	31,380
Deferred government grant	21	39	38
Contract liabilities	22	62	1
Other current liabilities	29	2,261	2,054
Provisions	30	252	93
Current tax liabilities (net)		254	108
Total current liabilities		**54,214**	**49,806**
Total liabilities		**424,957**	**387,050**
Total equity and liabilities		**481,712**	**458,144**
Summary of significant accounting policies	4.1		

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

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

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

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

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

D Muthukumaran
(Chief Financial Officer)

Place: Gurugram
Date: 29 July 2021

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

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

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from contracts with customers	31	48,185	48,415
Other income	32	6,326	4,802
Total income (i)		**54,511**	**53,217**
Expenses			
Cost of raw material and components consumed	33	422	530
Employee benefits expense	34	1,259	951
Other expenses	35	7,326	5,611
Total expenses (ii)		**9,007**	**7,092**
Earning before interest, tax, depreciation and amortisation (i)-(ii)		**45,504**	**46,125**
Depreciation and amortisation expense	36	13,734	14,819
Finance costs	37	37,893	34,963
Loss before exceptional items, share of loss of jointly controlled entities and tax		**(6,123)**	**(3,657)**
Share in loss of jointly controlled entities		(58)	(53)
Loss before exceptional items and tax		**(6,181)**	**(3,710)**
Exceptional items	39	(186)	-
Loss before tax		**(6,367)**	**(3,710)**
Tax expense			
Current tax		785	486
Deferred tax		1,089	872
Adjustment of tax relating to earlier periods		28	(42)
Loss for the year	**(a)**	**(8,269)**	**(5,026)**
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss in subsequent years (net of tax)			
Net gain / (loss) on cash flow hedge reserve		(6,064)	2,109
Net gain / (loss) on cost of hedge reserve		459	(889)
Income tax effect		1,532	(1,856)
		(4,073)	**(636)**
Exchange differences on translation of foreign operations		(2)	14
Income tax effect		-	-
		(2)	**14**
Net other comprehensive loss that will be reclassified to profit or loss in subsequent years	**(b)**	**(4,075)**	**(622)**
Items not to be reclassified to profit or loss in subsequent years:			
Re-measurement loss of defined benefit plan		(7)	(13)
Income tax effect		1	4
Net other comprehensive loss not to be reclassified to profit or loss in subsequent years	**(c)**	(6)	(9)
Other comprehensive loss for the year, net of taxes	**(d)=(b)+(c)**	**(4,081)**	**(631)**
Total comprehensive loss for the year, net of taxes	**(a)+(d)**	**(12,350)**	**(5,657)**
Loss for the year attributable to:			
Equity holders of the parent		(7,987)	(4,842)
Non-controlling interests		(282)	(184)

Renew Power Private Limited

S. R. BATLIBOI & CO. LLP GURUGRAM

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

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Total comprehensive loss for the year attributable to:			
Equity holders of the parent		(12,133)	(5,411)
Non-controlling interests		(217)	(246)
Loss per share:			
(face value per share: INR 10)			
(1) Basic attributable to equity shareholders of the parent	38	(16.50)	(10.55)
(2) Diluted attributable to equity shareholders of the parent	38	(16.50)	(10.55)
Summary of significant accounting policies	4.1		

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

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

S.R. BATLIBOI & CO. LLP GURUGRAM

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

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

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

D Muthukumaran
(Chief Financial Officer)

Place: Gurugram
Date: 29 July 2021

ReNew Power Private Limited

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

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

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before tax	(6,181)	(3,710)
Adjustments for:		
Depreciation and amortisation expense	13,734	14,819
Loss on disposal of property plant and equipment and capital work in progress	205	104
Capital work in progress written off	39	-
Share in loss of jointly controlled entities	58	53
Deferred revenue	(114)	(35)
Government grant- viability gap funding	(32)	(37)
Loss on settlement of derivative instruments designated as cash flow hedge (net)	76	302
Gratuity expense	15	13
Operation and maintenance reserve	(148)	11
Share based payments	203	72
Amortisation of option premium	1,773	1,119
Gain on settlement of financial liability	(1,475)	-
Impairment allowances for financial assets	572	25
Unamortised ancillary borrowing cost written off	346	520
Gain on sale of intangibles	-	(219)
Purchase consideration written off	(101)	-
Unwinding of discount on provisions	356	-
Interest income	(1,774)	(2,144)
Interest expense	34,913	32,611
Others	(27)	-
Operating profit before working capital changes	**42,422**	**43,504**
Movement in working capital		
(Increase)/decrease in trade receivables	(10,955)	(6,820)
(Increase)/decrease in inventories	(220)	110
(Increase)/decrease in other current financial assets	493	(407)
(Increase)/decrease in other non-current financial assets	(21)	(49)
(Increase)/decrease in other current assets	(643)	259
(Increase)/decrease in other non-current assets	6	224
(Increase)/decrease in prepayments	(240)	(2,247)
Increase/(decrease) in other current financial liabilities	(258)	30
Increase/(decrease) in other current liabilities	163	274
Increase/(decrease) in contract liabilities	1,424	-
Increase/(decrease) in other non current liabilities	108	35
Increase/(decrease) in trade payables	(633)	662
Increase/(decrease) in provisions	154	14
Cash generated from operations	**31,800**	**35,589**
Income tax refund/(paid) (net)	267	(1,854)
Net cash generated from operating activities	**32,067**	**33,735**
Cash flow from investing activities		
Purchase of property, plant and equipment, intangible assets and right of use assets	(24,395)	(39,209)
Sale of intangible assets	-	219
Redemption/(Investments) in deposits having original maturity more than 3 months	1,519	(15,868)
Disposal of subsidiary, net of cash disposed (refer note 39)	3,597	-
Government grant received	26	54
Acquisition of subsidiary, net of cash acquired (refer note 56)	(34)	(762)
Cash acquired on acquisition of control in jointly controlled entities (refer note 56)	46	-
Interest received	1,987	1,932
Net cash used in investing activities	**(17,254)**	**(53,634)**
Cash flow from financing activities		
Payment for acquisition of subsidiary's interest from non-controlling interest	(1,517)	(736)
Proceeds from disposal of subsidiary's interest to non-controlling interest	8	846
Payment made for repurchase of vested stock options	(681)	-
Payment of lease liabilities (including payment of interest expense on lease liabilities) (refer note 41)	(245)	(207)
Proceeds from compulsory convertible preference shares	-	20,903
Proceeds from long-term borrowings	116,204	98,662
Repayment of long-term borrowings	(95,700)	(55,429)
Loan taken from related parties	605	-
Proceeds from short-term borrowings	27,779	34,810
Repayment of short-term borrowings	(20,002)	(44,790)
Interest paid	(33,603)	(31,186)
Net cash (used)/generated from financing activities	**(7,152)**	**22,873**
Net increase in cash and cash equivalents	**7,661**	**2,974**
Cash and cash equivalents at the beginning of the year	**13,089**	**10,115**
Cash and cash equivalents at the end of the year	**20,750**	**13,089**

ReNew Power Private Limited

S. R. BATLIBOI & CO. LLP

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

Components of cash and cash equivalents

Cash and cheque on hand	0	0
Balances with banks:		
- On current accounts	19,474	11,699
- On deposit accounts with original maturity of less than 3 months	1,276	1,390
Total cash and cash equivalents (note 16)	**20,750**	**13,089**

Changes in liabilities arising from financing activities

Particulars	Opening balance as at 1 April 2020	Cash flows (net)	Other Changes*	Closing balance as at 31 March 2021
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	343,536	20,505	(7,451)	356,590
Short-term borrowings	12,191	8,382	(931)	19,643
Total liabilities from financing activities	**355,727**	**28,887**	**(8,382)**	**376,233**

Particulars	Opening balance as at 1 April 2019	Cash flows (net)	Other Changes*	Closing balance as at 31 March 2020
Long-term borrowings (including current maturities and net of ancillary borrowings cost incurred)	269,328	64,136	10,072	343,536
Short-term borrowings	20,657	(9,980)	1,514	12,191
Total liabilities from financing activities	**289,985**	**54,156**	**11,586**	**355,727**

* Including adjustment for ancillary borrowing cost, unrealised/realised foreign exchange gain/loss.

Refer note 41 for movement in lease liabilities

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

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

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

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

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

D Muthukumaran
(Chief Financial Officer)

Place: Gurugram
Date: 29 July 2021

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

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

Particulars	Attributable to the equity holders of the Parent									Non-Controlling Interests (NCI)	Total Equity
	Equity share capital	Reserves and Surplus			Debenture redemption reserve	Items of other comprehensive income (OCI)			Total		
		Securities premium	Share based payment reserve	Retained earnings / (losses)		Capital reserve	Hedge reserve #	Foreign currency translation reserve			
	(refer note 17A)	(refer note 18A)	(refer note 18E)	(refer note 18G)	(refer note 18C)	(refer note 18B)	(refer note 18D)	(refer note 18F)			
At 1 April 2019	**3,799**	**67,165**	**1,086**	**(3,120)**	**4,177**	**114**	**(512)**	**(2)**	**72,707**	**3,628**	**76,335**
Loss for the year	-	-	-	(4,842)	-	-	-	-	(4,842)	(184)	(5,026)
Other comprehensive income / (loss) (net of taxes)	-	-	-	(9)	-	-	(574)	14	(569)	(62)	(631)
Total Comprehensive Income	-	-	-	**(4,851)**	-	-	**(574)**	**14**	**(5,411)**	**(246)**	**(5,657)**
Share based payment expense for the year	-	-	207	-	-	-	-	-	207	-	207
Forfeiture of vested options	-	-	(132)	132	-	-	-	-	-	-	-
Utilised on acquisition of non-controlling interest (refer note 56)	-	-	-	-	-	(224)	-	-	(224)	-	(224)
Acquisition of interest by non controlling interest in subsidiaries (refer note 56)	-	-	-	5	-	-	-	-	5	428	433
Transfer from debenture redemption reserve (net)	-	-	-	1,881	(1,881)	-	-	-	-	-	-
At 31 March 2020	**3,799**	**67,165**	**1,161**	**(5,953)**	**2,296**	**(110)**	**(1,086)**	**12**	**67,284**	**3,810**	**71,094**
Loss for the year	-	-	-	(7,987)	-	-	-	-	(7,987)	(282)	(8,269)
Other comprehensive income / (loss) (net of taxes)	-	-	-	(6)	-	-	(4,138)	(2)	(4,146)	65	(4,081)
Total Comprehensive Income	-	-	-	**(7,993)**	-	-	**(4,138)**	**(2)**	**(12,133)**	**(217)**	**(12,350)**
Share based payment expense for the year	-	-	177	-	-	-	-	-	177	-	177
Forfeiture of vested options	-	-	3	(3)	-	-	-	-	-	-	-
Repurchase of vested stock options (refer note 42)	-	-	(176)	(470)	-	-	-	-	(646)	-	(646)
Acquisition of interest by non-controlling interest in subsidiaries (refer note 56)	-	-	-	-	-	-	-	-	-	8	8
Acquisition of interest from non controlling interest (refer note 56)	-	-	-	14	-	(65)	-	-	(51)	(1,463)	(1,514)
Acquisition of subsidiaries (refer note 56)	-	-	-	-	-	-	-	-	-	107	107
Transfer from debenture redemption reserve (net)	-	-	-	694	(694)	-	-	-	-	-	-
Others	-	-	-	(121)	-	-	-	-	(121)	-	(121)
At 31 March 2021	**3,799**	**67,165**	**1,165**	**(13,832)**	**1,602**	**(175)**	**(5,224)**	**10**	**54,510**	**2,245**	**56,755**

includes cash flow hedge reserve and cost of hedge reserve (refer note 54)

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

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

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

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

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

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

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

1 Corporate Information

ReNew Power Private Limited ('the Company') is a private limited company domiciled in India. The registered office of the Company is located at 138, Ansal Chamber - II Bhikaji Cama Place, New Delhi-110066. The Consolidated Financial Statements comprise financial statements of the Company and its subsidiaries (collectively, the Group) for the year ended 31 March 2021. The Group is carrying out business activities relating to generation of power through non-conventional and renewable energy sources.

The Consolidated Financial Statements of the Group have been approved for issue by the Group's Board of Directors on 29 July 2021.

Information on the Group's structure is provided in note 43 and information on other related party relationships of the Group is provided in note 44.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

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:

- Financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Assets held for sale – measured at fair value less cost to sell
- Share based payments

These consolidated financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated. Refer note 4.2 for new and amended standards and interpretations adopted by the Group.

3 Principles of consolidation

The Consolidated Financial Statements comprise the consolidated financial statements of the Group as at 31 March 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

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

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

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

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

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

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

Consolidation procedure:

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

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

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

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

S.R. Batliboi & Co. LLP Gurugram

ReNew Power Private Limited

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received and deferred consideration receivable
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the group had directly disposed of the related assets or liabilities.

4.1 Summary of significant accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Business combinations and goodwill

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

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

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

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

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

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

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

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

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

A cash generating unit to which goodwill has been allocated is tested for impairment annually on 31 March, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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

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

b) Investment in associates and jointly controlled entities (joint ventures)

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

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

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

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

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

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:
- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenue and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

c) Current versus non-current classification

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

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

All other assets are classified as non-current.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

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.

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

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

d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each reporting date.

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

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

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The management of the Group determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets, and for non-recurring measurement, such as assets held for sale.
External valuers are involved for valuation of significant assets, and significant liabilities. Involvement of external valuers is determined annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.
At each reporting date, the management of the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies of the Group.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.
On an interim basis, the management presents the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:
· Disclosures for significant estimates and assumptions (Refer Note 58)
· Quantitative disclosures of fair value measurement hierarchy (Refer Note 47)
· Financial instruments (including those carried at amortised cost) (Refer Note 46 and 47)

e) Revenue recognition

(i) Revenue from contracts with customers

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

a) Sale of Power

Income from supply of power is recognised over time on the supply of units generated from plant to the grid as per terms of the Power Purchase Agreement ('PPA') entered into with the customers.
The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of power, the Group considers the effects of variable consideration and existence of a significant financing component. There is only one performance obligation in the arrangement and therefore, allocation of transaction price is not required.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

b) Income from services (management consultancy)
The Group 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

c) Sale of equipment
Revenue from sale of equipment is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer. There is only one performance obligation in the arrangement and therefore, allocation of transaction price is not required.

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

e) Revenue from Engineering Procurement and Construction ("EPC") Contracts
Revenue from provision of service is recognised over a period of time on the percentage of completion method. Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Profit on contracts is recognised on percentage of completion method and losses are accounted as soon as these are anticipated. In case the total cost of a contract based on technical and other estimates is expected to exceed the corresponding contract value such expected loss is provided for. The revenue on account of extra claims on construction contracts are accounted for at the time of acceptance in principle by the customers due to uncertainties attached.

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

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

g) Sale of Carbon emission Certificates (CECs)
Income from sale of CECs is recognised on sale of these certificates.

Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. To estimate the variable consideration, the Group applies appropriate method given under Ind AS 115.

- Rebates
In some PPAs, the Group provide rebates in invoice if payment is made before the due date. These are adjusted against revenue and are offset against amounts payable by the customers.

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

(ii) Contract balances:

(a) Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment. Refer to accounting policies in section (p) Impairment of non-financial assets.

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

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

(iii) Others

(a) 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.

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

f) Foreign currencies
The Group's consolidated financial statements are presented in INR, which is also the Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

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ReNew Power Private Limited

Foreign currency translation

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in 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 recognised in OCI.

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

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

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment. Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

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

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

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

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

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

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

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

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

In situations where Group is entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period. Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognised in the period in which the temporary differences originate. However, the Group restrict the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realised.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

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

h) Government grants
Government grants are recognised 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 recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When grant is related to an asset, it is recognised as income in equal amounts over the expected useful life of related asset.

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

The Group presents grants related to an expense item as other income in the statement of profit or loss. Thus, generation based incentive and Sale of emission reduction certificates have been recognised as other income.

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

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

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

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

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions (Note 58) and provisions (Note 23) for further information about the recognised decommissioning provision.

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

Derecognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

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

Intangible assets acquired separately are measured in initial recognition at cost. The cost of intangible assets and intangible assets under development acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses and intangible assets under development are carried at cost less any accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Customer related intangibles are capitalised 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 amortised over the remaining useful life of the customer relationships or the period of the contractual arrangements.

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

(Amounts in INR millions, unless otherwise stated)

Development costs

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

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

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

k) Depreciation/amortisation of property, plant and equipment and intangibles assets

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

Category	Life (in years)
Plant and equipment (solar rooftop projects)*	25 or terms of PPA, whichever is less (15-25)
Plant and equipment (wind and solar power projects till 30 September 2020)*	18-25
Plant and equipment (wind and solar power projects from 1 October 2020)#	30-35
Plant and equipment (others)	5-18
Office equipment	5
Furniture and fixture	10
Computers	3
Computer servers	6
Computer softwares	3-6
Other Intangible assets	5
Customer contracts	25
Development rights	25
Leasehold improvements	Useful life or lease term (5), whichever is lower
Building (Temporary structure)	3

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

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

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

l) Non-current assets (and disposal groups) classified as held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

• The appropriate level of management is committed to a plan to sell the asset (or disposal group),
• An active programme to locate a buyer and complete the plan has been initiated (if applicable),
• The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
• The sale is expected to qualify for recognition as a completed sale within one year from the date of classification,and
• Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

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Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
• Represents a separate major line of business or geographical area of operations,
• Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
Or
• Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

m) Inventories
Inventories are valued at the lower of cost and net realisable value.
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Unserviceable / damaged inventories are identified and written down based on technical evaluation.

n) 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 or loss. The amount amortised for the period from disbursement of borrowed funds upto the date of capitalisation of the qualifying assets is added to cost of the qualifying assets.

To the extent, group borrows funds for general purpose and uses them for the purpose of obtaining a qualifying asset, the group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate used is weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. In case any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

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

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

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

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (p) Impairment of non-financial assets.

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

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

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

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

S. R. BATLIBOI & CO. LLP
GURUGRAM

ReNew Power Private Limited

p) Impairment of non-financial assets

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

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

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

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

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

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

q) Share based payments

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

Equity-settled transactions

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

The cost is recognised, 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 recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the numbers of equity instruments that will ultimately vest. The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefit expense.

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

No expense is recognised 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.

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

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

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

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense (refer note 34). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a Black-Scholes model, further details of which are given in Note 42. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

r) Retirement and other employee benefits

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

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling, excluding amount recognised in the net interest on the defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised in the 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 the statement of profit or loss in subsequent periods.

S.R. Batliboi & Co. LLP

ReNew Power Private Limited

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

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

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

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

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

s) Provisions

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

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

Decommissioning liability

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

t) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 39.

u) Financial instruments

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

Financial assets

Initial recognition and measurement

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

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instruments at FVTOCI

A 'debt instrument' is classified at 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 FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instruments at FVTPL

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

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

Debt instruments included within FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

Embedded derivatives

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or 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 Group has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement ; And
- Either the Group has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

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

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

Impairment of financial assets

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

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

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

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

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

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

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

S. R. BATLIBOI & CO. LLP GURUGRAM

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

ECL impairment loss allowance (or reversal) during the period is recognised as income / expense in the statement of profit or 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 Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft.

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

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

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

Compulsorily convertible preference shares
Compulsorily Convertible Preference Shares (CCPS) are separated into liability and equity components based on the terms of the contract.
On issuance of the CCPS, 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 and liability on pro-rata basis, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

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

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

The Group recognises interest, dividends, losses and gains relating to such financial instrument or a component that is a financial liability as income or expense in the statement of profit or loss.

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

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

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

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

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

S. R. BATLIBOI & CO. LLP GURUGRAM

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

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the 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.

v) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement
The Group uses derivative financial instruments, such as foreign currency forward contracts, cross currency swaps (CCS), call spreads, foreign currency option contracts and interest rate swaps (IRS), to hedge its interest rate risks and foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

For the purpose of hedge accounting, hedges are classified as:
- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:
• There is 'an economic relationship' between the hedged item and the hedging instrument.
• The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

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

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

The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.
The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised as other expense and the ineffective portion relating to commodity contracts is recognised in other operating income or expenses.

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

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

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

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

w) Cash and cash-equivalents
(i) Cash and cash-equivalents
Cash and short-term deposits in the statement of financial position comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and 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 of bank overdrafts as they are considered an integral part of the Group's cash management.

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

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

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

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

4.2 Changes in accounting policy and disclosures- New and amended standards
The Group applied for the first-time certain amendments, which are effective for annual periods beginning on or after 1 April 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to Ind AS 103: Definition of a Business
The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations.

Amendments to Ind AS 107, Ind AS 109 and Ind AS 39 Interest Rate Benchmark Reform
The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the consolidated financial statements of the Group as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Group's consolidated financial statements.

Amendment to Ind AS 1 and Ind AS 8 – Definition of Material
The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's consolidated financial statements.

Amendments to Ind AS 116 Covid-19 Related Rent Concessions
The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the consolidated financial statements of the Group.

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

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

5 Property, plant and equipment

	Freehold Land #	Plant and equipment	Buildings	Leasehold improvements	Office equipment	Furniture & Fixtures	Computers	Total Property, plant and	Capital work in progress
Cost									
At 1 April 2019	**8,705**	**284,610**	**64**	**124**	**55**	**48**	**59**	**293,665**	**16,273**
Additions during the year^	1,258	47,373	-	6	12	8	26	48,683	49,216
Adjustment during the year*	(73)	(51)	-	-	-	-	-	(124)	(188)
Disposals during the year	-	(95)	-	-	(1)	-	(4)	(100)	-
Impairment during the year**	-	-	-	-	-	-	-	-	(27)
Capitalised during the year	-	-	-	-	-	-	-	-	(47,373)
At 31 March 2020	**9,890**	**331,837**	**64**	**130**	**66**	**56**	**81**	**342,124**	**17,901**
Additions during the year^	603	43,514	12	5	9	7	33	44,183	22,647
Acquisition of subsidiaries (refer note 56)	57	2,500	-	-	1	1	1	2,560	-
Disposal of subsidiary (refer note 39)	-	(15,042)	-	-	(1)	-	(0)	(15,043)	-
Adjustments during the year*	(19)	(265)	-	-	(1)	-	(1)	(286)	(4)
Disposals during the year#	-	(242)	-	-	(1)	-	(4)	(247)	
Impairment during the year**	-	-	-	-	-	-	-		39
Capitalised during the year	-	-	-	-	-	-	-	-	(30,176)
At 31 March 2021	**10,531**	**362,302**	**76**	**135**	**73**	**64**	**110**	**373,291**	**10,407**
Accumulated depreciation									
At 1 April 2019	-	**27,335**	**14**	**25**	**18**	**8**	**26**	**27,426**	-
Charge for the year (refer note 36)	-	13,394	3	11	7	6	11	13,432	-
Depreciation capitalised during the year	-	2	-	15	6	2	7	32	-
Adjustments during the year*	0	0	-	-	-	-	-	0	-
Disposals during the year	-	(0)	-	-	(1)	-	(4)	(5)	-
At 31 March 2020	**0**	**40,731**	**17**	**51**	**30**	**16**	**40**	**40,885**	-
Charge for the year (refer note 36)		12,271	3	14	9	9	12	12,318	-
Depreciation capitalised during the year	-	4	-	13	6	2	7	32	-
Disposal of subsidiary (refer note 39)	-	(914)	-	-	(1)	-	(0)	(915)	
Adjustments during the year*	-	-	-	-	-	-	-	-	-
Disposals during the year	-	(35)	-	-	(1)	-	(4)	(40)	-
At 31 March 2021	**0**	**52,057**	**20**	**78**	**43**	**27**	**55**	**52,280**	-
Net book value									
At 31 March 2020	**9,890**	**291,106**	**47**	**79**	**36**	**40**	**41**	**301,239**	**17,901**
At 31 March 2021	**10,531**	**310,245**	**56**	**57**	**30**	**37**	**55**	**321,011**	**10,407**

#The title represented by sale deeds in respect of land amounting to INR 379 (31 March 2020: INR 395) is not yet in the name of the Group. Further, the title of land amounting to INR 429 (31 March 2020: INR 510) is held by way of General Power of Attorney (GPA) and the Group is in the process of getting title transferred in its name.

Mortgage and hypothecation on Property, plant and equipment:

Property, plant & equipment are subject to a pari passu first charge to respective lenders for project term loans, buyer's/suppliers credit, senior secured notes, working capital loan, debentures and acceptances as disclosed in note 19 and note 25.

^ Capitalised borrowing costs

The amount of borrowing costs capitalised in Property, plant and equipment and capital work in progress during the year ended 31 March 2021 was INR 2,157 (31 March 2020: INR 1928). The rate ranging from 6.06% to 14.85% (31 March 2020: 6.40% to 14.85%) used to determine the amount of borrowing costs eligible for capitalisation was the effective interest rate of the specific borrowing.

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

Freehold land	Adjustment of INR 19 (31 March 2020: INR 73) pertains to actualisation of provisional capitalisation.
Plant and equipments	Adjustment of INR 265 (31 March 2020: INR 51) pertains to actualisation of provisional capitalisation of supply of goods and services and early closure of letter of credits.
Capital work in progress	Adjustment of INR 4 (31 March 2020: INR 188) pertains to actualisation of provision against capital expenditure.
Depreciation	Adjustment of INR 3,210 (31 March 2020: INR 2) pertains to savings on account of change in useful life of asset.

(Amounts in INR millions, unless otherwise stated)

**** Impairment of Capital Work in Progress includes following**
Amounting to 39 (31 March 2020: INR 27) has been written off to the extent of non-viability of recovery of cost in future.

Change in estimates in relation to useful life of Plant and equipment and provision for decommissioning liability:
During the year ended 31 March 2021, as a part of its annual exercise of review of estimates, the Group conducted an operational efficiency review of its wind power and solar power plants, classified under category plant and equipment (Refer note 4.1(k) and note 5). The Group has engaged an external expert for the review of useful life and salvage value. Basis the study and technical advice by external expert, with effect from 1 October 2020, the expected useful life of wind power plants and solar power plants has been revised from 25 years to 30 years and 30 to 35 years respectively and residual value at the end of useful life has been revised from Nil to 5% for wind power plants and solar power plants. As a result, depreciation expenses recognized in Statement of Profit or Loss is decreased.

Along with exercise carried for assessment of useful life of plant and equipment, the Group evaluated its costs of dismantling and removing the item of property, plant and equipment and restoring the site on which it is located ("decommissioning liability") for its wind power and solar power plants. Though, there are no contractual obligation, the Group has considered a constructive obligation, being a green energy company with its commitment towards environment and provided for decommissioning liability expected to be incurred at the end of respective useful life of plants. Therefore, the Group has capitalized an estimate of decommissioning costs in property, plant and equipment with corresponding recognition of provision for decommissioning liability. The Property, plant and equipment so recognized are depreciated over the remaining life of the project. The decommissioning liability so recognized is unwinded as finance costs. Consequent to this, as at 1 October 2020, there is an increase by Rs. 13,403 in property, plant and equipment (included in additions during the year under Plant and equipment) with a corresponding increase in provision for decommissioning costs (Refer note 23). As a result, depreciation expenses and finance costs recognized in Statement of Profit or Loss are increased.

The above changes resulted in temporary differences and accordingly the Group has recognised the tax effects of such differences as per Group accounting policies included in Note 4.1 (g).

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

Particulars	For the year ended					
	Actual effect in the current period	Expected amount of the effect in future periods *				
	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26
Decrease in depreciation expense*	(2,130)	(4,219)	(4,219)	(4,219)	(4,219)	(4,219)
Increase in finance costs #	356	831	863	915	971	1,030
Increase in Deferred tax expense	553	1,057	1,047	1,031	1,013	995

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

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Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

6 Intangible assets

	Computer software	Customer contracts #	Other Intangible assets	Development rights	Total intangibles	Goodwill	Intangible asset under development
Cost							
At 1 April 2019	**156**	**26,744**	-	**36**	**26,936**	**11,381**	**6**
Additions during the year	19	-	-	-	19	-	60
Capitalised during the year	-	-	-	-	-	-	(13)
At 31 March 2020	**175**	**26,744**	-	**36**	**26,955**	**11,381**	**53**
Additions during the year	86	-		-	86	-	49
Acquisition of a subsidiary (refer note 56)	7	1,304	7	-	1,318	202	20
Capitalised during the year	-	-	-	-	-	-	(67)
At 31 March 2021	**268**	**28,048**	**7**	**36**	**28,359**	**11,583**	**55**
Amortisation							
At 1 April 2019	**60**	**1,197**	-	**2**	**1,259**	-	-
Amortisation for the year (refer note 36)	30	1,129	-	1	1,161	-	-
At 31 March 2020	**90**	**2,326**	-	**3**	**2,419**	-	-
Amortisation for the year (refer note 36)	23	1,142	-	1	1,166	-	-
Amortisation capitalised during the year	15	-	-	-	15		
At 31 March 2021	**128**	**3,468**	-	**4**	**3,600**	-	-
Net book value							
At 31 March 2020	**85**	**24,418**	-	**33**	**24,536**	**11,381**	**53**
At 31 March 2021	**140**	**24,580**	**7**	**32**	**24,759**	**11,583**	**55**

Remaining life of customer contracts ranges from 17 to 23 years as on 31 March 2021 (31 March 2020: 18 to 24 years)

Mortgage and hypothecation on intangible assets:
Intangible assets are subject to a pari passu first charge to respective lenders for senior secured bonds, project term loans, buyer's/supplier's credit, working capital loan, debentures, senior secured notes and acceptances as disclosed in note 19 and note 25.

Impairment of goodwill and intangible assets under development:

Below is the break-up for goodwill and intangible assets under development for each group of cash generating units and individual cash generating units (CGU)

Group of CGU / Individual CGU	31 March 2021	31 March 2020
Ostro Energy Group (Wind power segment)		
Goodwill	9,900	9,900
ReNew Vayu Urja (KCT) (Wind power segment)		
Goodwill	756	756
Prathamesh Solarfarms (Solar power segment)		
Goodwill	429	429

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ReNew Power Private Limited *

(Amounts in INR millions, unless otherwise stated)

Others		
Goodwill	498	296
Intangible asset under development	55	53

*Intangible assets under development amounting to INR Nil as on 31 March 2021 (31 March 2020: Nil) out of the total intangible assets under development pertain to fair value of customer contracts for projects under development acquired as part of business combination. Goodwill and intangible assets under development pertain to various group of CGUs and individual CGUs and a combined test of impairment have been performed.

The Group undertook the impairment testing of Goodwill assigned to each Group of CGU and Individual CGU as at 31 March 2021, 31 March 2020 applying value in use approach across all the Group CGUs and individual CGUs i.e. using cash flow projections based on financial budgets covering contracted power sale agreements with procurers (25 years) using a discount rate range of 10.90 % (pre tax) per annum for the impairment test as on 31 March 2021 (31 March 2020: 9.90%). The Group has used financial projections over the remaining life of the PPAs as the tariff rates are fixed as per PPA.

Based on the results of the Goodwill impairment test, the estimated value in use of each Group of CGU and individual CGU after adjusting the carrying values of property, plant and equipment's and intangible assets was more than carrying value of Goodwill by INR 8,943 (31 March 2020: INR 4,765) and accordingly no impairment loss provision has been recognised in the statement of profit or loss.

Group of CGU / individual CGU	31 March 2021	31 March 2020
Ostro Energy Group (wind power segment)	4,236	3,907
ReNew Vayu Urja (KCT) (wind power segment)	2,877	236
Prathamesh Solarfarms (solar power segment)	1,830	622

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

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

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

(i) Discount rate: [Pre tax Weighted Average Cost of Capital (WACC)]	10.90 % per annum as on 31 March 2021 (31 March 2020: 9.90%) discount rate has been derived based on current cost of borrowing and equity rate of return based on the current market expectations.
(ii) Plant load factor (PLF)	Plant load factor for future periods are estimated for each group of CGU and individual CGU based on report from expert.

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

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

Breakeven sensitivity:	31 March 2021	31 March 2020
Plant load factor (PLF)	If reduced by 8.73%	If reduced by 3.98%
Discount rate: (Pre tax WACC)	12.17%	10.73%

(Amounts in INR millions, unless otherwise stated)

7 Right of use assets

	Leasehold land	Building	Total
Cost			
At 1 April 2019	3,897	371	4,268
Additions during the year	719	50	769
Deletions during the year	(4)	(3)	(7)
At 31 March 2020	**4,612**	**418**	**5,030**
Acquisition of subsidiaries during the year	37		37
Additions during the year	1,444	25	1,469
Disposal of subsidiary (refer note 39)	(1,711)	-	(1,711)
Lease modification during the year	-	(26)	(26)
At 31 March 2021	**4,382**	**417**	**4,799**
Depreciation			
At 1 April 2019	-	-	-
Depreciation charged to profit or loss during the year (refer note 36)	198	43	241
Depreciation capitalised during the year	-	65	65
At 31 March 2020	**198**	**108**	**306**
Depreciation charged to profit or loss during the year (refer note 36)	197	53	250
Depreciation capitalised during the year	-	54	54
Disposal of subsidiary (refer note 39)	(107)	0	(107)
At 31 March 2021	**288**	**215**	**503**
Net book value			
At 31 March 2020	**4,414**	**310**	**4,724**
At 31 March 2021	**4,094**	**202**	**4,296**

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

8 Investment in jointly controlled entities	**As at 31 March 2021**	**As at 31 March 2020**
Investment in unquoted equity shares of entities under joint control at equity method (refer note 55)		
Nil (31 March 2020: 3,498,744) equity shares of INR10 each fully paid-up Aalok Solarfarms Limited	-	91
Nil (31 March 2020: 6,996,900) equity shares of INR10 each fully paid-up in Heramba Renewables Limited	-	170
Nil (31 March 2020: 3,498,744) equity shares of INR10 each fully paid-up in Abha Solarfarms Limited	-	89
Nil (31 March 2020: 6,997,494) equity shares of INR10 each fully paid-up in Shreyas Solarfarms Limited	-	174
Total	-	**524**

These entities have been acquired by the Group during the current year. Refer note 56 for details on business combination.

Aggregate amount of quoted investments along with market value thereof	-	-
Aggregate amount of unquoted investments	-	524
Aggregate amount of impairment in the value of investments	-	-

9 Financial assets	**As at 31 March 2021**	**As at 31 March 2020**
Non current (unsecured, considered good unless otherwise stated)		
Financial assets at fair value through profit or loss		
Investment in unquoted compulsorily convertible debentures of entities under joint control		
Nil (31 March 2020: 1,040,625) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Abha Solarfarms Limited	-	104
Nil (31 March 2020: 2,081,250) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Heramba Renewables Limited	-	208
Nil (31 March 2020: 1,040,625) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Aalok Solarfarms Limited	-	104
Nil (31 March 2020: 2,081,070) 10.7% unsecured compulsorily convertible debentures of INR 100 each fully paid of Shreyas Solarfarms Limited	-	208
Total	-	**624**

These entities have been acquired by the Group during the current year. Refer note 56 for details on business combination.

Aggregate amount of quoted investments along with market value thereof	-	-
Aggregate amount of unquoted investments	-	624
Aggregate amount of impairment in the value of investments	-	-

Financial assets at amortised cost		
Loans		
Considered good and unsecured		
Security deposits	158	126
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**158**	**126**
Others		
Bank deposits with remaining maturity for more than twelve months (refer note 16)	2,702	142
Total	**2,702**	**142**
Current (unsecured, considered good unless otherwise stated)		
Financial assets at amortised cost		
Loans		
Considered good and unsecured		
Security deposits	27	5
Loans to related parties (refer note 44)	11	5
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**38**	**10**

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

Others		
Recoverable from related parties (refer note 44)	-	15
Deferred consideration receivable (refer note 39)	1,936	-
Advances recoverable	154	233
Government grant receivable *		
- viability gap funding	302	387
- generation based incentive receivable	859	1,362
Interest accrued on fixed deposits	394	607
Interest accrued on compulsorily convertible debentures (refer note 44)	-	61
Interest accrued on loans to related parties (refer note 44)	-	0
Others	53	53
Total	**3,698**	**2,718**

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

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

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

10 Deferred tax assets (DTA) / deferred tax liabilities (DTL) (net)

10A Deferred tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Deferred tax assets (gross)		
Compound financial instruments	31	140
Loss on mark to market of derivative instruments	222	53
Difference in written down value as per books of account and tax laws	1	1
Provision for decommissioning cost	1,387	-
Expected credit loss	55	-
Losses available for offsetting against future taxable income	15,745	15,573
Unused tax credit (MAT)	483	639
Provision for operation and maintenance equalisation	261	271
Lease liabilities	159	284
Financial guarantee contracts	24	-
Government grant (viability gap funding)	28	30
Others	98	62
Deferred tax assets (gross) - total (a)	**18,494**	**17,053**
Deferred tax liabilities (gross)		
Compound financial instruments	6	5
Gain on mark to market of derivative instruments	81	1,079
Difference in written down value as per books of account and tax laws	16,007	14,046
Unamortised ancillary borrowing cost	195	235
Right of use asset	144	269
Government grant (viability gap funding)	11	-
Others	4	1
Deferred tax liabilities (gross) - total (b)	**16,448**	**15,635**
Deferred tax assets (net) (a) - (b)	**2,046**	**1,418**

10B Deferred tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities (gross)		
Compound financial instruments	-	-
Gain on mark to market of derivative instruments	54	760
Difference in written down value as per books of account and tax laws	30,588	21,235
Unamortised ancillary borrowing cost	163	120
Right of use asset	43	70
Fair value gain on financial instruments	1	10
Option premium	-	-
Others	4	2
Deferred tax liabilities (gross) - total (c)	**30,853**	**22,197**

Renew Power Private Limited

S. R. Batliboi & Co. LLP Gurugram

(Amounts in INR millions, unless otherwise stated)

Deferred tax assets (gross)		
Compound financial instruments	107	0
Loss on mark to market of derivative instruments	143	112
Provision for decommissioning cost	2,235	-
Expected credit loss	95	-
Losses available for offsetting against future taxable income	18,171	12,361
Unused tax credit (MAT)	871	620
Provision for operation and maintenance equalisation	419	366
Lease liabilities	52	57
Government grant (viability gap funding)	164	212
Others	3	2
Deferred tax assets (gross) - total (d)	**22,260**	**13,730**
Deferred tax liabilities (net) (c) - (d)	**8,593**	**8,467**

10C Reconciliation of tax expense and the accounting profit multiplied by tax rate

	For the year ended	
	31 March 2021	**31 March 2020**
Accounting profit before income tax	**(6,367)**	**(3,710)**
Tax at the India's tax rate of 31.2% applicable to the Parent (31 March 2020: 31.2%)	(1,987)	(1,157)
Disallowance under section 94B of the Income Tax Act	1,333	1,327
Interest on compound financial instrument	1,091	634
Tax rate differences	83	52
Changes in estimates on reasonable certainty for recoverability of tax losses	2,326	(1,375)
Change in estimates for recoverability of unused tax credits (MAT)	82	316
Adjustment of tax relating to earlier periods	51	259
- Mat credit written off	48	938
- Recognition / reversal of deferred tax asset / deferred tax liability	10	44
Effect of tax holidays and other tax exemptions	(1,527)	26
Deferred tax asset written off on sale of subsidiary (refer note 39)	378	-
Reinstatement loss on loan having income taxable under income from other sources	-	75
Other non-deductible expenses	14	177
At the effective income tax rate	**1,902**	**1,316**
Current tax expense reported in the statement of profit or loss	785	486
Deferred tax expense reported in the statement of profit or loss	1,089	872
Adjustment of current tax relating to earlier years	28	(42)
	1,902	**1,316**

S. R. BATLIBOI & CO. LLP GURUGRAM

Renew Power Private Limited

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(Amounts in INR millions, unless otherwise stated)

10D Reconciliation of deferred tax assets and deferred tax liabilities (net):

a) For the year ended 31 March 2021

Particulars	Opening balance DTA / (DTL) as at 1 April 2020	Income / (expense) recognised in profit or loss	Income / (expense) recognised in OCI	Income / (expense) recognised in equity	Income / (expense) recognised in profit or loss on sale of subsidiary	Addition through business combination	Closing balance DTA / (DTL) as at 31 March 2021
Compound financial instruments	137	(84)	-	-	80	-	133
Gain / (loss) on mark to market of derivative instruments	(1,673)	(2)	1,905	-	-	-	230
Difference in written down value as per books of account and tax laws	(35,281)	(10,957)	-	-	296	(652)	(46,594)
Unamortised ancillary borrowing cost	(355)	2	-	-	-	(5)	(358)
Provision for decommissioning cost	-	3,644	-	-	(26)	4	3,621
Expected credit loss	-	150	-	-	-	-	150
Fair value gain on financial instruments	(10)	(8)	-	-	17	-	(1)
Losses available for offsetting against future taxable income	27,934	6,369	(340)	-	(722)	675	33,916
Unused tax credit (MAT)	1,259	95	-	-	-	-	1,354
Provision for operation and maintenance equalisation	636	41	-	-	-	2	679
Lease liabilities	341	22	-	-	(157)	4	210
Financial guarantee contracts	-	24	-	-	-	-	24
Government grant (viability gap funding)	244	(63)	-	-	-	-	181
Right of use asset	(340)	23	-	-	134	(4)	(187)
Others	59	33	1	-	-	1	94
	(7,049)	**(711)**	**1,566**	-	**(378)**	**25**	**(6,547)**

b) For the year ended 31 March 2020

Particulars	Opening balance DTA / (DTL) as at 1 April 2019	Income / (expense) recognised in profit or loss	Income / (expense) recognised in OCI	Income / (expense) recognised in equity	Income / (expense) recognised in profit or loss on sale of subsidiary	Addition through business combination	Closing balance DTA / (DTL) as at 31 March 2020
Compound financial instruments	172	(3)	-	(32)	-	-	137
Gain / (loss) on mark to market of derivative instruments	183	0	(1,856)	-	-	-	(1,673)
Difference in written down value as per books of account and tax laws	(30,219)	(5,062)	-	-	-	-	(35,281)
Unamortised ancillary borrowing cost	(225)	(130)	-	-	-	-	(355)
Provision for decommissioning cost	-	-	-	-	-	-	-
Expected credit loss	-	-	-	-	-	-	-
Fair value gain on financial instruments	(1)	(9)	-	-	-	-	(10)
Losses available for offsetting against future taxable income	22,601	5,333	-	-	-	-	27,934
Unused tax credit (MAT)	2,464	(1,205)	-	-	-	-	1,259
Provision for operation and maintenance equalisation	454	182	-	-	-	-	636
Lease liabilities	-	341	-	-	-	-	341
Lease equilisation Reserve	11	(11)					-
Government grant (viability gap funding)	255	(11)	-	-	-	-	244
Right of use asset	-	(340)	-	-	-	-	(340)
Option premium	(31)	31	-	-	-	-	-
Others	43	12	4	-	-	-	59
	(4,293)	**(872)**	**(1,852)**	**(32)**	-	-	**(7,049)**

Renew Power Private Limited

S.R. Batliboi & Co. LLP Gurugram

The Group has unabsorbed depreciation and tax losses which arose in India of INR 140,428 (31 March 2020: INR 110,108). The unabsorbed depreciation and tax losses will be available for offsetting against future taxable profits of the Group.

Out of this, the tax losses that are available for offsetting from five to eight years against future taxable profits of the companies in which the losses arose are INR 11,019 (31 March 2020: INR 3,606). The unabsorbed depreciation that will be available for offsetting against future taxable profits of the companies in which the losses arose are of INR 129,410 (31 March 2020: INR 106,386). Unabsorbed depreciation is available for utilisation indefinitely.

The Group has recognised deferred tax asset of INR 33,916 (31 March 2020: INR 27,856) utilisation of which is dependent on future taxable profits. The future taxable profits are based on projections made by the management considering the PPA with power procurer.

The expiry year of MAT credit is 8 to 15 years from the date of entitlement and deferred tax has been recognised on MAT credit which are expected to be utilised before the expiry year.

The Group has tax losses amounting to INR 7,768 (31 March 2020: INR 2,092) having an expiry period of 5 to 8 years, capital losses amounting to INR 828 (31 March 2020: INR Nil) having an expiry period of 4 years, unabsorbed depreciation amounting to INR 2,018 (31 March 2020: INR 1,970) which are available for utilisation indefinitely and MAT credit amounting to INR 82 (31 March 2020: INR 323) having an expiry period of 15 years on which deferred tax assets have not been recognised as there may not be sufficient taxable profits to offset these losses. Further, disallowance under section 94B of the Income Tax Act, 1961 is considered as a permanent difference and accordingly, deferred tax asset has not been recognised on such disallowance.

Certain subsidiaries of the Group have undistributed earnings INR 15,783 as at 31 March 2021 (31 March 2020: INR 7,746) which, if paid out as dividends, would be subject to tax in the hands of recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Parent is able to control timing of distributions from these subsidiaries. These subsidiaries are not expected to distribute these profits in the foreseeable future.

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

11 Prepayments

	As at 31 March 2021	As at 31 March 2020
Non-current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	580	1,122
Total	**580**	**1,122**
Current (unsecured, considered good unless otherwise stated)		
Prepaid expenses	631	846
	631	**846**

12 Other assets

	As at 31 March 2021	As at 31 March 2020
Non-current (unsecured, considered good unless otherwise stated)		
Capital advance	7,466	5,461
Advances recoverable	142	95
Security deposits	8	8
Balances with government authorities	69	98
Total	**7,685**	**5,662**
Current (Unsecured, considered good unless otherwise stated)		
Advances recoverable (refer note 44 & note 51)	1,515	1,061
Balances with government authorities	831	722
Contract Asset	86	25
Total	**2,432**	**1,808**

13 Inventories

	As at 31 March 2021	As at 31 March 2020
Consumables and spares	833	609
Total	**833**	**609**

14 Derivative instruments

	As at 31 March 2021	As at 31 March 2020
Financial assets at fair value through OCI		
Cash flow hedges		
Derivative instruments	2,691	8,718
Total	**2,691**	**8,718**

15 Trade receivables

	As at 31 March 2021	As at 31 March 2020
Non-current		
Unsecured, considered good	1,178	-
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	-	-
	1,178	-
Less: Impairment allowances for bad and doubtful debts	-	-
Total	**1,178**	-

Non-current trade receivables represent amounts receivable that is unconditional, recognised pursuant to approval of cost over-run by the customer (refer note 31(c)) and are expected to be received over a period of 13 - 25 years. These trade receivables carry an interest rate in the range of 8.25% - 10.41% per annum. As these amounts are not due within next twelve months from the end of the reporting date, they are disclosed as non-current. Trade receivable of INR 236 expected to be realised within twelve months from the end of the reporting date are included in current trade receivables.

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GURUGRAM

Current		
Unsecured, considered good (refer notes 44 & 51)	35,328	26,048
Secured, considered good	-	-
Receivables which have significant increase in credit risk	-	42
Receivables - credit impaired	-	-
	35,328	**26,090**
Less: Impairment allowances for bad and doubtful debts	(560)	(19)
Total	**34,768**	**26,071**

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

Trade receivables other than the current portion of non-current trade receivable explained above are non-interest bearing and are generally on terms of 7-60 days.

Set out below is the movement in the allowance for impairment of trade receivables :

	31 March 2021	**31 March 2020**
Opening balance	19	6
Provision for expected credit loss for the year	541	13
Closing balance	**560**	**19**

16 Cash and cash equivalents	**As at 31 March 2021**	**As at 31 March 2020**
Cash and cash equivalents		
Cash and cheque on hand	0	0
Balance with bank		
- On current accounts	19,474	11,699
- Deposits with original maturity of less than 3 months #	1,276	1,390
	20,750	**13,089**
Bank balances other than cash and cash equivalents		
Deposits with		
- Remaining maturity for less than twelve months #	26,732	31,203
- Remaining maturity for more than twelve months #	2,702	142
	29,434	**31,345**
Less: amount disclosed under financial assets (others) (Note 9)	(2,702)	(142)
Total	**26,732**	**31,203**

Fixed deposits of INR 14,037 (31 March 2020: INR 8,282) are under lien with various banks for the purpose of Debt Service Reserve Account (DSRA) and as margin money for the purpose of letter of credit/bank guarantee. The bank deposits have an original maturity period of 7 days to 3,652 days and carry an interest rate of 2% - 8.66% which is receivable on maturity.

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Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

17 Share capital

17A Authorised share capital

	Number of shares	Amount
Equity shares of INR 10 each		
At 1 April 2019	500,000,000	5,000
Increase during the year	-	-
At 31 March 2020	500,000,000	5,000
Increase during the year	-	-
At 31 March 2021	**500,000,000**	**5,000**

Compulsory convertible preference shares of INR 425 each (refer note 19)	Number of shares	Amount
At 1 April 2019	-	-
Increase during the year	60,000,000	25,500
At 31 March 2020	60,000,000	25,500
Increase during the year	-	-
At 31 March 2021	**60,000,000**	**25,500**

Issued share capital	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid up		
At 1 April 2019	379,924,556	3,799
Shares issued during the year	-	-
At 31 March 2020	**379,924,556**	**3,799**
Shares issued during the year	-	-
At 31 March 2021	**379,924,556**	**3,799**

Terms/rights attached to equity shares

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

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

The equity shares are redeemable at the option of the holders and, therefore, are considered a puttable instrument in accordance with Ind AS 32. Puttable instruments are required to be accounted for as financial liabilities, except where certain conditions are met in accordance with Ind AS 32, in which case, the puttable instruments may be presented as equity. The equity shares meet the conditions of Ind AS 32 and are, therefore, classified and accounted for as equity.The terms of the equity shares shall be amended pursuant to the completion of the Business Combination event as disclosed in note 61.

17B Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number	% Holding	Number	% Holding
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.

17C 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.

17D Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the Group, refer note 42.

For details of shares reserved for issue on conversion of Convertible Preference Shares, please refer note 19 related to terms of conversion/ redemption of preference shares.

18 Other equity

18A Securities premium

At 1 April 2019	**67,165**
At 31 March 2020	**67,165**
At 31 March 2021	**67,165**

Nature and purpose

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

18B Capital reserve

At 1 April 2019	**114**
Utilised on acquisition of non-controlling interest (refer note 56)	(224)
At 31 March 2020	**(110)**
Acquisition of interest from non controlling interest (refer note 56)	(65)
At 31 March 2021	**(175)**

Nature and purpose

Capital reserve represents bargain purchase on business combinations.

Renew Power Private Limited

S.R. Batliboi & Co. LLP Gurugram

(Amounts in INR millions, unless otherwise stated)

18C Debenture redemption reserve

At 1 April 2019	**4,177**
Debenture redemption reserve created during the year*	33
Debenture redemption reserve transferred to retained earnings during the year	(1,914)
At 31 March 2020	**2,296**
Debenture redemption reserve created during the year*	117
Debenture redemption reserve transferred to retained earnings during the year	(811)
At 31 March 2021	**1,602**

Nature and purpose

As per the Companies Act, Debenture Redemption Reserve (DRR) is a reserve required to be maintained by the Companies that have issued debentures. The purpose of this reserve is to minimise the risk of default on repayment of debentures as this reserve ensures availability of funds for meeting obligations towards debenture-holders.

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

*Due to insufficient profit during the year, Debenture redemption reserve in respect of un-listed entities has been created only to the extent of available profit. Resultantly, there is an overall shortfall as at 31 March 2021: INR 663 (31 March 2020: INR 216).

18D Hedge reserve

At 1 April 2019	**(512)**
OCI for the year (refer note 54)	(636)
Attributable to non-controlling interests (refer note 54)	62
At 31 March 2020	**(1,086)**
OCI for the year (refer note 54)	(4,073)
Attributable to non-controlling interests (refer note 54)	(65)
At 31 March 2021	**(5,224)**

Nature and purpose

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

18E Share based payment reserve

At 1 April 2019	**1,086**
Expense for the year	207
Forfeiture of vested options	(132)
At 31 March 2020	**1,161**
Expense for the year	177
Repurchase of vested stock options (refer note 42)	(176)
Forfeiture of vested options	3
At 31 March 2021	**1,165**

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.

18F Foreign currency translation reserve

At 1 April 2019	**(2)**
Exchange differences on translation of foreign operations	**14**
At 31 March 2020	**12**
Exchange differences on translation of foreign operations	(2)
At 31 March 2021	**10**

Nature and purpose

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

18G Retained earnings / (losses)

At 1 April 2019	**(3,120)**
Loss for the year	(4,842)
Re-measurement losses on defined benefit plans (net of tax)	(9)
Adjustment due to forfeiture of vested options	132
Acquisition of interest by non controlling interest in subsidiaries (refer note 56)	5
Debenture redemption reserve created during the year	(33)
Debenture redemption reserve released on account of repayment of debenture	1,914
At 31 March 2020	**(5,953)**
Loss for the year	(7,987)
Re-measurement losses on defined benefit plans (net of tax)	(6)
Forfeiture of vested options	(3)
Repurchase of vested stock options	(470)
Acquisition of interest from non controlling interest (refer note 56)	14
Debenture redemption reserve created during the year	(117)
Debenture redemption reserve released on account of repayment of debenture	811
Others*	(121)
At 31 March 2021	**(13,832)**

* represents distribution to owner recognised for financial guarantees (refer note 44)

Nature and purpose

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

S.R. Batliboi & Co. LLP Gurugram

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

19 Long-term borrowings

	Notes	Nominal interest rate %	Maturity	Non-current As at 31 March 2021	Non-current As at 31 March 2020	Current As at 31 March 2021	Current As at 31 March 2020
Debentures							
- Non convertible debentures (secured)	(i)	6.03% - 12.50%	August 2022-September 2034	90,137	38,835	1,447	6,376
- Compulsorily convertible debentures (unsecured)	(ii)	8% - 10.70%	June 2026 - September 2036	809	553	-	-
Term loan from bank (secured)	(iii)	5.37% - 11.75%	December 2021 - December 2038	44,269	43,174	6,888	10,749
Term loan from financial institutions (secured)	(iv)	8.67% - 12.10%	June 2030 - March 2041	86,749	89,604	6,673	2,885
Senior secured notes	(v)	6.06% - 10.74%	September 2022 - February 2027	92,921	128,160	-	-
Compulsorily convertible preference shares treated as financial liability as per Ind AS 109	(vi)	15.02%	June 2022	26,697	23,200	-	-
Total long-term borrowings #				**341,582**	**323,526**	**15,008**	**20,010**
Amount disclosed under the head 'Other current financial liabilities' (refer note 28)				-	-	(15,008)	(20,010)
Net long-term borrowings				**341,582**	**323,526**	-	-

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

Notes:

(a) Details of security

(i) Non convertible debentures (secured)

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

(ii) Compulsorily convertible debentures (unsecured)

Compulsorily Convertible Debentures (CCD) are compulsorily convertible into equity shares in accordance with the terms of the Joint Venture Agreement at conversion ratio defined therein. CCD do not carry any voting rights.

Terms of conversion of CCDs

Entity	Tenure (years)	Total Proceeds	Maturity date	Interest coupon rate	Moratorium period
ReNew Mega Solar Private Limited*	25	193	22 August 2036 and 20 September 2036	8%	18 months from the date of issue
ReNew Solar Energy (Telangana) Private Limited*	20	620	20 September 2036	8%	18 months from the date of issue
Abha Solarfarms Limited	10	35	6 June 2026, 26 January 2027 and 24 May 2027	10.70%	24 months from the date of issue
Aalok Solarfarms Limited	10	35	6 June 2026, 26 January 2027 and 24 May 2027	10.70%	24 months from the date of issue
Shreyas Solarfarms Limited	10	69	8 June 2026 and 26 January 2027	10.70%	24 months from the date of issue
Heramba Renewables Limited	10	69	26 January 2027 and 24 May 2027	10.70%	24 months from the date of issue
Total		**1,021**			

*Compulsorily convertible debentures are compulsorily convertible into equity shares in accordance with the terms of the Joint Venture Agreement at conversion ratio of 1:1. CCD do not carry any voting rights. Liability component of Compulsorily convertible debentures represent the present value of interest coupon.

(iii) Term loan from banks (secured)

Secured by pari passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and assignment of all rights, title, interests, benefits, claims etc. of project documents and insurance contracts of the respective Company. These loans usually have repayment cycle of monthly / quarterly payments.

For all long-term loan arrangements from banks, the Group has complied with the debt covenants except for long-term borrowing arrangements having non-current portion amounting to INR 3,895 as at 31 March 2021, where the Group could not meet covenants with the effect that the liability became payable on demand. The Group has classified these liabilities as current. Further, for such borrowings outstanding as at 31 March 2021, the Group has applied for waiver amounting to INR 3,664.

(iv) Term loan from financial institutions (secured)

Secured by a first pari passu charge by way of mortgage on immovable properties, first pari passu charge by way of hypothecation of tangible moveable assets, first charge on all the current assets and accounts. Further secured by way of assignment of all the rights, title, interest, benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the respective company. These loans usually have repayment cycle of monthly / quarterly payments.

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ReNew Power Private Limited ★

(Amounts in INR millions, unless otherwise stated)

Non creation of charge on securities against outstanding loans

Entities forming part of the Group have not created charge on security against outstanding loan balances as on 31 March 2021 mainly on account of pending approvals from government agencies with respect to land mortgages. The charge will be created as and when the respective entities get the necessary approvals from these agencies. In any of the entities stated below, non-creation of charge does not result in any breach of material provisions (event of default). Further, none of the following entities listed below have received any approval till date.

Entity name	Lender name	Amount
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	3,025
Prathamesh Solarfarms Limited	Yes Bank *	1,522
Prathamesh Solarfarms Limited	Rural Electrification Corporation *	1,724
ReNew Solar Power Private Limited	Indian Renewable Energy Development	5,513
Ostro Jaisalmer Private Limited	Rural Electrification Corporation *	778
Ostro Urja Wind Private Limited	Rural Electrification Corporation *	2,165
Ostro Dakshin Power Private Limited	Ptc Financial Services Pvt. Ltd.	1,236
Ostro Dakshin Power Private Limited	Rural Electrification Corporation	3,803
Ostro Andhra Wind Private Limited	India Infrastructure Finance Co. Ltd	1,373
Ostro AP Wind Private Limited	India Infrastructure Finance Co. Ltd	1,404
Ostro Madhya Wind Private Limited	Rural Electrification Corporation *	2,143
Badoni Power Private Limited	Rural Electrification Corporation *	852
AVP Powerinfra Private Limited	Rural Electrification Corporation *	795
Ostro Anantapur Private Limited	Rural Electrification Corporation *	3,344
ReNew Wind Energy (Varekarwadi) Private Limited	Rural Electrification Corporation *	2,172

* The corresponding loan balances have been fully repaid subsequent to the reporting date.

(v) Listed senior secured notes

Notes are secured by way of exclusive mortgage over immovable properties and exclusive charge by way of hypothecation of tangible and intangible movable assets. Further secured by way of hypothecation over rights and benefit, claims and demands under all the project agreements, letter of credit, insurance contracts and proceeds, guarantees, performance bond etc. of the company. Secondary charge over the account receivables, book debts and cash flows. The senior secured notes shall be repaid through bullet payments starting from September 2022 to February 2027.

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

On 27 June 2019, the Company has issued INR 20,903 Compulsory Convertible Preference Shares ('CCPS') - Series A to certain existing shareholders:

Name of Allottee	Number of shares allotted	Face value	Amount received	Balance as at 31 December 2020
GS Wyvern Holding Limited	16,395,294	425	6,968	8,900
Green Rock B 2014 Limited (acting in its capacity as trustee of Green Stone A 2014 Trust)	16,318,729	425	6,935	8,858
Canada Pension Plan Investment Board	16,470,588	425	7,000	8,940
Total	**49,184,611**		**20,903**	**26,697**

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

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

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ReNew Power Private Limited *

(Amounts in INR millions, unless otherwise stated)

(b) Loan moratorium

(i) Entities forming part of the group have also applied for moratorium from financial institutions under "Reserve Bank of India's COVID 19 – Regulatory Package dated 27 March 2020". The details are as follows:

Company Name	Lender	Moratorium availed for		Original due date	Extended due date	Settlement terms
		Principal	Interest			
Ostro Andhra Wind Private Limited	Indian Renewable Energy Development Agency Limited	12	18	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 17 November 2020, Principle instalment outstanding for the quarter ended 30 June 2020 and interest outstanding for the month of June 2020 shall be deferred to 30 September 2033.
Ostro Andhra Wind Private Limited	India Infrastructure Finance Corporation	9	13	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 24 December 2020, Principle instalment outstanding for the quarter ended 30 June 2020 and interest outstanding for the month of June 2020 shall be deferred to last instalment in 1 July 2035.
Ostro Andhra Wind Private Limited	Tata Cleantech Capital Limited	2	3	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 11 January 2021, Principle instalment along with interest outstanding for the quarter ended 30 June 2020 shall be deferred and the original repayment schedule shall be extended by 3 months resulting in extending last payment date as per repayment schedule from 30 June 2033 to 30 September 2033.
Ostro AP Wind Private Limited	Indian Renewable Energy Development Agency Limited	12	21	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 17 November 2020, Principle instalment outstanding for the quarter ended 30 June 2020 and interest outstanding for the month of June 2020 shall be deferred to 30 September 2033.
Ostro AP Wind Private Limited	India Infrastructure Finance Corporation	9	14	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 24 December 2020, Principle instalment outstanding for the quarter ended 30 June 2020 and interest outstanding for the month of June 2020 shall be deferred to last instalment in 1 July 2035.
Ostro AP Wind Private Limited	Tata Cleantech Capital Limited	3	5	30 June 2020	30 September 2020	As per the intimation received from the Lender dated 11 January 2021, Principle instalment along with interest outstanding for the quarter ended 30 June 2020 shall be deferred and the original repayment schedule shall be extended by 3 months resulting in extending last payment date as per repayment schedule from 30 June 2033 to 30 September 2033.
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	-	30	15 April 2020	-	As intimated by the Lender vide letter dated 25 February 2021, the repayment date has been revised resulting in extending last payment date as per repayment schedule. Previously, the repayment date was 15 December 2038 which has now been revised to 15 February 2039 to 15 June 2039 and the deferred amount has been converted to additional loan.
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	-	28	15 May 2020	-	
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	-	29	15 June 2020	-	
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	-	28	15 July 2020	-	
ReNew Solar Energy (Rajasthan) Private Limited	Power Finance Corporation Limited	-	30	15 August 2020	-	

(ii) Zemira Renewables Private Limited (referred to as "Zemira") had an outstanding term loan balance of INR 3,047 from Piramal Capital & Housing Finance Limited (INR 2,149) and PHL FINVEST Private Limited (INR 898) (collectively referred to as "Piramal") as at 31 March 2020. As per terms of agreement with Piramal, principal instalment of INR 29 and interest of INR 33 was due on 30 June 2020 against which Zemira has availed moratorium from the Piramal till 30 September 2020 through approval letters dated 28 July 2020 under "Reserve Bank of India's COVID 19 - Regulatory Package dated 27 March 2020". On 23 September 2020, Zemira issued 14.45% redeemable non-convertible debentures amounting to INR 3,075 to India Investment Opportunities Fund. On 24 September 2020, the outstanding balance for existing term loan increased to INR 3,178 (with accrual of interest till such date) and the proceeds from non-convertible debentures have been utilised to partially repay the term loan balance to an extent of INR 3,075. On 2 November 2020, the remaining amount of INR 103.37 (including accrual of interest till such date) has been repaid.

(Amounts in INR millions, unless otherwise stated)

(iii) During the year ended 31 March 2021, the Group has availed moratorium on the following loans for a period of 90 days, which have been repaid:

Company Name	Lender	Moratorium availed on		Original due date
		Principal	Interest	
Ostro Mahawind Power Private Limited	Barclays Bank Plc.	4,165	-	31 May 2020
Vivasvat Solar Energy Private Limited	Indian Renewable Energy Development Association	-	5	30 April 2020
		-	5	31 May 2020
		-	5	30 June 2020
ReNew Solar Power Private Limited		-	5	30 June 2020
		-	5	31 July 2020
		-	5	30 April 2020
		-	5	31 May 2020
ReNew Wind Energy (Varekarwadi) Private Limited	PTC Financial Services	-	5	1 July 2020
		-	5	1 August 2020

(c) The Group during the year has prepaid borrowings arrangements including loan from banks, loans from financial institutions and non convertible debentures amounting to INR 41,362. These arrangements have been subsequently refinanced in May 2021.

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(Amounts in INR millions, unless otherwise stated)

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

Listing status	Debenture Series	Face value per NCD (INR)	Numbers of NCDs outstanding		Outstanding amount		Nominal interest	Earliest redemption date	Last date of repayment	Terms of repayment
			As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020				
Non listed	Not applicable	1,000,000	1,026	1,133	1,026	1,133	9.41%	30-Jun-20	30-Sep-30	Quarterly
Non listed	Not applicable	1,000,000	4,966	5,222	4,966	5,222	9.60%	30-Jun-20	31-Mar-23	Quarterly
Non listed	Series 1	1,000,000	1,778	1,850	1,778	1,850	9.60%-9.95%	30-Jun-20	31-Mar-23	Quarterly
Non listed	Series 2	1,000,000	3,071	3,236	3,071	3,236	9.60%-9.95%	30-Jun-20	31-Mar-23	Quarterly
Non listed	Not applicable	1,000,000	2,844	2,955	2,844	2,955	9.95%	30-Jun-20	31-Mar-23	Quarterly
Listed	Not applicable	1,000,000	3,370	3,660	3,370	3,660	9.75%	30-Sep-20	31-Mar-33	Half yearly
Listed	Series-1	1,000,000	474	500	474	500	8.55%	30-Sep-20	30-Sep-34	Half yearly
Listed	Series-2	1,000,000	2,161	2,278	2,161	2,278	8.65%	30-Sep-20	30-Sep-34	Half yearly
Listed	Series-3	1,000,000	3,867	4,075	3,867	4,075	8.75%	30-Sep-20	30-Sep-34	Half yearly
Non listed	Not applicable	1,000,000	-	5,040	-	5,040	14.85%	31-May-21	15-Nov-25	Quarterly
Non listed	Not applicable	1,000,000	2,000	2,000	2,000	2,000	12.50%	27-Oct-22	27-Oct-22	Bullet
Listed	Not applicable	1,000,000	-	5,060	-	5,060	12.68%	26-Feb-21	26-Feb-21	Bullet
Non listed	Not applicable	1,000,000	2,000	2,000	2,000	2,000	11.96%	28-Sep-22	28-Sep-22	Bullet
Non listed	Not applicable	1,000,000	-	2,000	-	2,000	12.41%	31-Oct-22	31-Oct-22	Bullet
Non listed	Not applicable	1,000,000	-	1,210	-	1,210	9.18%	30-Nov-22	30-Nov-22	Bullet
Non listed	Not applicable	1,000,000	3,210	3,210	3,210	3,210	9.45%	30-Jul-25	30-Jul-25	Bullet
Non listed	Not applicable	1,000,000	3,738	-	3,738	-	8.55%	31-Aug-22	31-Aug-22	Bullet
Non listed	Not applicable	1,000,000	5,159	-	5,159	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,747	-	1,747	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,674	-	1,674	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	440	-	440	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	5,948	-	5,948	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	2,972	-	2,972	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,197	-	1,197	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,189	-	1,189	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,188	-	1,188	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,199	-	1,199	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,196	-	1,196	-	8.46%	28-Apr-24	28-Apr-24	Bullet
Non listed	Not applicable	1,000,000	1,548	-	1,548	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	6,765	-	6,765	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	3,835	-	3,835	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	11,721	-	11,721	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	1,736	-	1,736	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	3,663	-	3,663	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Non listed	Not applicable	1,000,000	4,432	-	4,432	-	6.03%	22-Aug-26	22-Aug-26	Bullet
Total (gross)					**92,114**	**45,429**				
Transaction cost					(530)	(218)				
Total					**91,584**	**45,211**				

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

ReNew Power Private Limited ★

(Amounts in INR millions, unless otherwise stated)

20 Lease liabilities	As at 31 March 2021	As at 31 March 2020
Non-current		
Lease liabilities (refer note 41)	1,782	1,386
	1,782	**1,386**
Current		
Lease liabilities (refer note 41)	321	251
Total	**321**	**251**

21 Deferred government grant	As at 31 March 2021	As at 31 March 2020
Opening balance	848	891
Adjustment during the year	(58)	(6)
Released to the statement of profit or loss	(32)	(37)
Total	**758**	**848**
Current	39	38
Non-current	719	810

22 Contract liabilities	As at 31 March 2021	As at 31 March 2020
Non-current		
Deferred revenue	1,375	12
Total	**1,375**	**12**
Current		
Deferred revenue	62	1
Total	**62**	**1**

The Group has certain power purchase agreements entered with customers which contains provision for claiming cost over-runs due to change in law clause, subject to approval by appropriate authority. The significant increase in contract liabilities in the year ended 31 March 2021 is due to receipt of approval of cost over-run which the Group has included as part of transaction price. The contract liabilities have been recognised at the present value of estimated cash flows and it will be recognised as revenue when the Group satisfies its performance obligations under the contract, which are expected to be recognised on straight-line basis over a period of 23 years (refer note 31(c)).

23 Long-term provisions	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 40)	143	103
Provision for decommissioning costs (refer note 58)	13,680	-
Total	**13,823**	**103**

	Provision for decommissioning costs
As at 1 April 2020	-
Arised during the year (refer note 58)	13,403
Unwinding of discount and changes in discount rate	356
Acquisition of subsidiary	21
Disposal of subsidiary	(100)
As at 31 March 2021	**13,680**

Decommissioning costs

Provision has been recognised for decommissioning costs associated with owned as well as leased premises wherein the Group has constructive obligation to decommission the site as a result of construction of wind and solar power projects

S. R. BATLIBOI & CO. LLP GURUGRAM

Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

24 Other non-current liabilities	**As at 31 March 2021**	**As at 31 March 2020**
Provision for operation and maintenance equalisation	2,735	2,938
Security deposit received	2	2
Total	**2,737**	**2,940**

25 Short term borrowings	**As at 31 March 2021**	**As at 31 March 2020**
Working capital term loan (secured)	5,525	5,630
Term loan from bank (secured)	-	1,229
Acceptances (secured)	2,169	603
Buyer's / supplier's credit (secured)	2,949	4,496
Non Convertible Debentures (secured) (NCDs)	9,000	-
Loan from related party (unsecured) (refer note 44)	-	190
Loan from body corporate (unsecured)	-	43
Total #	**19,643**	**12,191**

Working capital term loan (secured)
The term loan from bank carries interest at 8% to 9.75% per annum. The same is repayable with a bullet payment at the end of the tenure i.e. 30-365 days. It is secured by first charge by way of hypothecation entire movable properties of the borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture and all other movable properties, book debts, operating cash flows, receivables, commission and revenues, all other current assets, intangible assets, goodwill, uncalled up capital except project assets.

Term loan from bank (secured)
The loan carries interest at 10.35% per annum The same is repayable with a bullet payment at the end of one year from the date of disbursement. It is secured by first pari-passu charge over all present and future movable property, plant and equipment and current assets of the project, hypothecation on escrow/trust and retention account in relation to the project, first pari-passu charge on all project contracts and pledge of 51% of the equity and preference share capital of the respective borrower.

Acceptances (secured)
Acceptances are secured by pari-passu charge over all present and future current assets and movable fixed assets of the Company of respective projects for which such acceptances are taken. Discount rate of acceptances ranges from 2.23% to 5.90%. The maturity period ranges from 3-12 months.

Buyer's/Supplier's credit (secured)

Buyer's / supplier credit carries an interest rate of 12 month Libor plus 40 bps is secured by first pari-passu first charge by way of mortgage of all the present and future immovable properties, hypothecation of movable assets, book debt, operating cash flows, receivables, commissions, revenue of whatsoever nature, all bank accounts and all intangibles assets, assignment of all rights, title, interests, benefits, claims etc. of project documents, PPA, and insurance contracts of the Group. Creation of charge by way of mortgage and assignment is under process. These are repayable in bullet payments. The maturity period ranges from 3-12 months.

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

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

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

26 Trade payables	**As at 31 March 2021**	**As at 31 March 2020**
Current		
Outstanding dues to micro enterprises and small enterprises (refer note 52)	60	52
Others (refer note 44)	3,107	3,638
Total	**3,167**	**3,690**

Trade payables are non-interest bearing in nature. For explanations on the Group's liquidity risk management processes, refer note 48.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

27 Derivative instruments

	As at 31 March 2021	As at 31 March 2020
Financial liabilities at fair value through OCI		
Cash flow hedges		
Derivative instruments	1,069	-
Total	**1,069**	**-**

28 Financial liabilities

	As at 31 March 2021	As at 31 March 2020
Non Current		
Financial liabilities at amortised cost		
Interest accrued but not due on debentures	132	-
	132	**-**
Current		
Financial guarantee contracts	78	-
Financial liabilities at amortised cost		
Current maturities of long term borrowings (refer note 19)*	15,008	20,010
Others		
Interest accrued but not due on borrowings	1,686	1,692
Interest accrued but not due on debentures	1,211	371
Capital creditors	8,971	8,926
Purchase consideration payable	191	272
Others	1	109
Total	**27,146**	**31,380**

For all long-term loan arrangements from banks, the Group has complied with the debt covenants except for long-term borrowing arrangements having non-current portion amounting to INR 3,895 as at 31 March 2021, where the Group could not meet covenants with the effect that the liability became payable on demand. The Group has classified these liabilities as current. Further, for such borrowings outstanding as at 31 March 2021, the Group has applied for waiver amounting to INR 3,664.

29 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Provision for operation and maintenance equalisation	490	435
Other payables		
TDS payable	1,381	1,272
GST payable	369	331
ESI payable	1	0
Labour welfare fund payable	1	1
Provident fund payable	19	15
Total	**2,261**	**2,054**

30 Short term provisions

	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 40)	7	5
Provision for leave encashment	143	84
Cash settled shared based payment liablity (refer note 42)	102	-
Others	-	4
Total	**252**	**93**

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S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

31 Revenue from contracts with customers	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Sale of power	47,676	47,762
Sale of services - management shared services (refer note 44)	14	15
Income from engineering, procurement and construction service	429	543
Sale of services - operation and maintenance services (refer note 44)	37	16
Sale of services - consultancy	26	-
Income from sale of renewable energy certificates	3	79
Total	**48,185**	**48,415**

The Group during the year ended 31 March 2021 recognised impairment losses on receivables arising from contracts with customers, included under other expenses in the consolidated statement of profit or loss, amounting to INR 541 (31 March 2020: INR 13).

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

c) The Group has certain power purchase agreements entered with customers which contains provision for claiming cost over-runs due to change in law clause, subject to approval by appropriate authority. During the year ended 31 March 2021, on receipt of approval of cost over-run of INR 1,472 (31 March 2020: INR Nil), the Group has included the same as part of transaction price. Pending approval of cost over-runs of INR 1,266 (31 March 2020: INR 4,236) till the reporting period end, the Group has not included these over-runs as part of transaction price applying guidance on constraining estimates of variable consideration. Out of cost over-runs approved, the Group during the year ended 31 March 2021 has recognised revenue of INR 48 (31 March 2020: INR Nil).

d) Transaction price - remaining performance obligation
The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date. The cost over-runs which are pending approval of customers has been excluded for this disclosure because it was not included in the transaction price. These cost over-runs were excluded from the transaction price in accordance with the guidance on constraining estimates of variable consideration.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied), other than those where Group has elected the practical expedient available under Ind AS 115 as mentioned above is approximately INR 39,801 as at 31 March 2021. Out of this, the group expects to recognise revenue of approximately 4% within the next one year and the remaining thereafter. The remaining performance obligations expected to be recognised relate to the supply of power under power purchase agreements that is to be satisfied as the Group performs for the remaining term of contract. The above disclosure excludes amount recognised as contract liabilities as per note 22.

e) Contract balances

	As at 31 March 2021	**As at 31 March 2020**	**As at 01 April 2019**
Trade receivables (refer note 15)	35,946	26,071	19,276
Contract assets (refer note 12)	86	25	1
Contract liabilities (refer note 22)	1,437	12	4

32 Other income	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Interest income accounted at amortised cost		
- on fixed deposit with banks	1,563	2,044
- on loan to related parties (refer note 44)	0	0
- on compulsorily convertible debentures (refer note 44)	50	67
- others	233	35
Government grant		
- generation based incentive	1,847	2,098
- viability gap funding	32	37
Compensation for loss of revenue	431	-
Commission Income	43	
Income from leases	80	63
Gain on sale of intangibles	-	219
Insurance claim	63	34
Gain on ineffectiveness on derivative instruments designated as cash flow hedge (net)	16	-
Gain on settlement of financial liabilities*	1,475	-
Income from sale of emission reduction certificates	-	15
Interest income on income tax refund	160	33
Fair value gain on investment (refer note 56)	27	-
Miscellaneous income	306	157
Total	**6,326**	**4,802**

* Represents gain on derecognition of long term loans and borrowings accounted for using amortised cost method on account of reduction in premium on redemption due to early repayment.

S.R. Batliboi & Co. LLP Gurugram

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

33 Cost of raw material and components consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cost of raw material and components consumed	422	530
Total	**422**	**530**

34 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	949	785
Contribution to provident and other funds	50	37
Share based payments (refer note 42)	203	72
Gratuity expense (refer note 40)	15	13
Staff welfare expenses	42	44
Total	**1,259**	**951**

35 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Legal and professional fees	794	686
Corporate social responsibility (refer note 53)	80	73
Travelling and conveyance	148	163
Rent	23	24
Director's commission	15	9
Printing and stationery	3	2
Rates and taxes	248	194
Payment to auditors *	63	51
Insurance	527	201
Operation and maintenance	3,945	3,488
Repair and maintenance	98	65
Loss on sale/damage of property plant & equipment	205	104
Bidding expenses	12	26
Advertising and sales promotion	31	22
Impairment of capital work in progress	39	-
Security charges	241	195
Communication costs	36	31
Impairment allowances for financial assets	572	25
Miscellaneous expenses	246	252
Total	**7,326**	**5,611**

***Payment to auditors**

	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
Audit fee	48	42
Tax audit fee		
In other capacity:		
Certification fees	4	3
Other services #	187	17
Limited review	1	1
Reimbursement of expenses	4	5
	244	68
Less: IPO expenses transferred to other assets		-
Less: Other services transferred to unamortised ancillary cost of borrowings	(39)	(16)
Less: Reimbursement of expenses from ReNew Energy Global PLC	(142)	-
Less: Reimbursement of expenses transferred to unamortised ancillary cost of borrowings	-	(1)
	63	**51**

includes services received for capital market transactions.

36 Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer note 5)	12,318	13,432
Amortisation of intangible assets (refer note 6)	1,166	1,146
Depreciation of right of use assets (refer note 7)	250	241
Total	**13,734**	**14,819**

ReNew Power Private Limited

S.R. Batliboi & Co. LLP Gurugram

(Amounts in INR millions, unless otherwise stated)

37 Finance costs	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense accounted at amortised cost		
- term loans	14,916	14,575
- loan from related party (refer note 44)	19	15
- acceptance	49	499
- buyer's/supplier's credit	68	420
- on working capital demand loan	252	602
- non convertible debentures	5,274	6,140
- liability component of compulsorily convertible debentures	60	59
- commercial papers	-	11
- senior secured notes	10,791	7,938
- lease liabilities	113	105
- compulsory convertible preference shares	3,361	2,230
- others	9	17
Bank charges	430	411
Unwinding of discount on provisions	356	-
Option premium amortisation*	1,773	1,119
Loss on settlement of derivative instruments designated as cash flow hedge (net)*	76	302
Unamortised ancillary borrowing cost written off#	346	520
Total	**37,893**	**34,963**

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

The Group re-assessed classification of option premium amortisation on derivative instruments and loss on settlement of derivative instruments designated as cash flow hedge. The Group had previously classified these items under the head other expenses (note 35) in the statement of profit or loss. During the current financial year, the Group elected to change the classification of these items under the head finance costs in the statement of profit or loss, as the Group believes that such a reclassification provides more relevant information to the users of its financial statements given that it is aligned to practices adopted by its competitors. In addition, the derivative instruments are obtained to mitigate the currency risk on foreign currency interest-bearing loans and borrowings and accordingly classifying the same under head finance cost would be a more reliable presentation.

The Group applied this reclassification retrospectively and has an effect on the current and previous years presented. This reclassification has resulted in an increase in finance costs by INR 1,849 for the year ended 31 March 2021 (31 March 2020: INR 1,421) with corresponding decrease in other expenses for the respective years. The reclassification has no impact on the profit/(loss) and basic and diluted earnings per share of the Group for the years ended 31 March 2021 and 2020.

This reclassification has resulted in increase in cash outflows from financing activities by INR 1,293 (31 March 2020: INR 1,119) with a corresponding increase of cash inflows from operating activities for the year ended 31 March 2021 and 2020.

#Represents transaction cost on long term interest-bearing loans and borrowings charged to the statement of profit or loss on account of derecognition due to substantial modification.

38 Earnings per share (EPS)	For the year ended 31 March 2021	For the year ended 31 March 2020
The following reflects the profit and share data used for the basic and diluted EPS computations:		
Loss attributable to equity holders of parent for basic EPS	(7,987)	(4,842)
Weighted average number of equity shares for calculating basic EPS	483,921,868	459,201,195
Basic loss per share* (in INR)	(16.50)	(10.55)
Loss attributable to equity holders of parent for diluted EPS	(7,987)	(4,842)
Weighted average number of equity shares for calculating diluted EPS	483,921,868	459,201,195
Diluted loss per share* (in INR)	(16.50)	(10.55)

		No. of shares	No. of shares
Weighted average number of equity shares in calculating basic EPS	(a)	379,924,556	379,924,556
Effect of dilution in calculating basic EPS and diluted EPS			
Compulsory convertible preference shares	(b)	103,997,312	79,276,639
Weighted average number of equity shares in calculating basic EPS	(c) =(a)+(b)	**483,921,868**	**459,201,195**
Effect of dilution in calculating diluted EPS			
Convertible equity for employee stock option plan	(d)	7,476,734	4,866,286
Weighted average number of equity shares in calculating diluted EPS	(e)= (c)+(d)	**491,398,602**	**464,067,481**

* 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

The Group has elected to provide EPS figures for the puttable instruments as referred to in Note 17A.

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

39 Disposal group held for sale

On 28 September 2020, the board of directors approved the plan to sell 300 MW Pavagada solar project housed in Adyah Solar Energy Private Limited (Adyah Solar), a wholly owned subsidiary which falls under Solar power reportable segment. The Group has entered into a sale and purchase agreement dated 31 October 2020 for sale of 100% shareholding in Adyah Solar to Ayana Renewable Power Private Limited. At 28 September 2020, the loss of control over Adyah Solar within the next twelve months became highly probable and met the criteria to be classified as a disposal group held for sale and accordingly, assets and liabilities related to the entity were classified as held for sale. The transaction was completed on 15 February 2021.

a) Assets and liabilities of disposal group held for sale

Particulars		As at 15 February 2021
Assets		
Property, plant and equipment		14,127
Right of use assets		1,604
Trade receivables		621
Bank balances other than cash and cash equivalent		392
Cash and cash equivalent		16
Other non current assets		10
Prepayments (non current)		37
Other current financial assets		2
Other current assets		25
Total assets sold	**(a)**	**16,834**
Liabilities		
Long-term borrowings		10,335
Other current financial liabilities		48
Other current liabilities		20
Long term provisions		100
Others non current financial liabilities		596
Total liabilities sold	**(b)**	**11,099**
Net assets sold	**(c) = (a) - (b)**	**5,735**
Total consideration	**(d)**	5,549
Total impairment loss on assets of disposal group held for sale (presented under exceptional items in statement of profit or loss)		(186)
Consideration satisfied by:		
Cash and cash equivalents		3,613
Deferred consideration receivable		1,936
		5,549

The total consideration for sale was as INR 5,549 and the net assets of the entity were INR 5,735 excluding deferred tax assets of INR 328. Since total consideration for sale is lower than net assets of the entity disposed, the Group had derecognised deferred tax assets of INR 328, with the corresponding amount recognised under deferred tax in the consolidated statement of profit or loss.

The deferred consideration represents the fair value of consideration receivable and the same is contractually recoverable on the receipt of safeguard duty claims under change in law clause by Adyah Solar from its customers. This consideration is expected to be settled in cash by the purchaser by 31 March 2022. Considering the period involved, impact of time value of money is minimal.

There is no reclassification of amounts from OCI relating to Adyah Solar.

ReNew Power Private Limited

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(Amounts in INR millions, unless otherwise stated)

b) The results of Adyah Solar included in statement of profit or loss were as follows:

	For the year ended	
	31 March 2021	**31 March 2020**
Income	1,782	1,998
Expenses	(2,766)	(2,750)
Loss before tax	**(984)**	**(752)**
Income tax expense	229	203
Loss for the year	**(755)**	**(549)**

In accordance with the Ind AS 105, depreciation and amortisation on the assets of Adyah Solar Energy Private Limited ceased as at 28 September 2020.

c) Impact on cash flow statement
During the year ended 31 March 2021, Adyah Solar contributed INR 1,120 (31 March 2020: INR 1,061) to the Group's net operating cash flows, INR 206 (31 March 2020: paid INR 2,770) in respect of investing activities and paid INR 1,354 (31 March 2020: contributed INR 1,727) in respect of financing activities.

Net cash inflow arising on disposal:

Consideration received in cash and cash equivalents	3,613
Less: cash and cash equivalents disposed	(16)
	3,597

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

40 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 or loss for the period when the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

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

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the unfunded status and amounts recognised in the Balance Sheet for the Gratuity.

a) Statement of profit or loss and OCI

	For the year ended	
Net employees benefit expense recognised in employee cost	**31 March 2021**	**31 March 2020**
Current service cost	31	25
Interest cost on benefit obligation	7	6
Net benefit expense*	**38**	**31**

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

Net expense recognised in OCI	**(7)**	**(13)**

b) Balance sheet

	As at	As at
Benefit liability	**31 March 2021**	**31 March 2020**
Present value of unfunded obligation	150	108
Net liability	**150**	**108**

	For the year ended	
	31 March 2021	**31 March 2020**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	108	75
Current service cost	31	25
Interest cost	7	6
Benefits paid	(7)	(10)
Liabilities assumed/ (settled)	-	(1)
Remeasurements during the year due to:		
- Experience adjustments	7	2
- Change in financial assumptions	-	11
- Change in demographic assumptions	-	0
Liabilities net of planned assets assumed under business combination	4	-
Closing defined benefit obligation	**150**	**108**

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

c) The principal assumptions used in determining gratuity obligations

	For the year ended	
	31 March 2021	**31 March 2020**
Discount rate	6.85%	6.85%
Salary escalation	10.00%	10.00%

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

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

		For the year ended	
Particulars	**Change in assumptions**	**31 March 2021**	**31 March 2020**
Discount rate	+ 0.5%	(141)	(110)
	- 0.5%	159	97
Salary escalation	+ 0.5%	156	110
	- 0.5%	(144)	(97)

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

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

d) Projected plan cash flow

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

Maturity Profile	As at 31 March 2021	As at 31 March 2020
Within next 12 months	7	5
From 2 to 5 years	37	27
From 6 to 9 years	40	36
10 years and beyond	330	226

The weighted average duration to the payment of these cash flows is 13 years (31 March 2020: 13.32 years).

Risk analysis

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

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

(ii) 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.

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

Defined contribution plan:	For the year ended 31 March 2021	31 March 2020
Contribution to provident fund & other fund charged to statement of profit & loss (inclusive of amount capitalised in different projects)	108	89

41 Leases

The Group has entered into leases for its offices and leasehold lands. These leases generally have lease terms of 5 to 30 years. The Group also has certain leases of regional offices and office equipment with lease terms of 12 months or less and lease of office equipments with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

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

Particulars	31 March 2021	31 March 2020
Opening balance at beginning of the year	**1,637**	**1,183**
Additions	1,102	514
Acquisition of subsidiaries	17	-
Lease modification during the year	(26)	-
Accretion of interest	113	105
Interest capitalised during the year	101	41
Payments	(245)	(206)
Transfer to liabilities directly associated with the assets held for sale (refer note 39)	(596)	-
Balance as at end of the year	**2,103**	**1,637**
Current	321	251
Non-current	1,782	1,386

a) There are no restrictions or covenants imposed by leases.
b) Refer note 35 for rental expense recorded for short-term leases and low value leases.
c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2021 and March 2020.
d) The maturity analysis of lease liabilities are disclosed in note 48.
e) There are no leases which have not yet commenced to which the lessee is committed (if any).
f) The effective interest rate for lease liabilities is 10.40% p.a

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

42 Share based payment

a) Equity settled share-based payment transactions

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

The relevant terms of the ESOP schemes are as below:

Plans	2018 Stock Option Plan Modified (new plan)	2018 Stock Option Plan	2017 Stock Option Plan	2016 Stock Option Plan	2014 Stock Option Plan	2011 Stock Option Plan
Grant date	16 August 2019	Multiple	Multiple	Multiple	Multiple	Multiple
Vesting period	**Time linked vesting:** Grants will vest in 5 years on quarterly basis which shall commence one year after the date of grant of options	**Time linked vesting:** 50 % of grants will vest in 5 years as follows: i) One year from the date of grant, the Options for the first four quarters shall vest immediately. ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options. Remaining 50% will vest at the end of 5 years from the date of grant.	**Time linked vesting:** 50 % of grants will vest in 5 years as follows: i) One year from the date of grant, the Options for the first four quarters shall vest immediately. ii) Thereafter, vesting will continue on a quarterly basis for the unvested Options. Remaining 50% will vest at the end of 5 years from the date of grant.	**Time linked vesting:** 5 years on quarterly basis effective from 1 December 2015 on completion of one year from the date of grant, the Options for the first seven quarters shall vest immediately. Thereafter, vesting will continue on quarterly basis for the unvested Options commencing from 1 December 2017. **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	INR 400	INR 400, INR 415 and INR 420	INR 340	INR 205	INR 100 and 131	INR 100
Expiry date	16 August 2029	24 April 2028 to 31 December 2030	10 April 2027 to 25 February 2028	30 September 2026	31 December 2022 to 01 January 2025	30 September 2021 to 31 December 2022
Settlement type	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled	Equity settled

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Number of options outstanding as at (in million):

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

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

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

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

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

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

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

b) Repurchase of vested stock options

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

The details of repurchase of vested stock options are as follows:

Particulars	Amount
Total consideration paid for repurchase of vested stock options (a)	681
Fair value of the vested stock options repurchased, measured at the repurchase date, recognised in equity* (b)	650
Excess consideration paid recognised in statement of profit or loss (a) - (b)	31

(Amounts in INR millions, unless otherwise stated)

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

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

c) Cash settled share based payments arising out of a one-time partial liquidity scheme (refer note b above)
The carrying amount of the liability (included in employee benefit liabilities) relating to the cash settled share based payments at 31 March 2021 was INR 102 (31 March 2020: INR Nil). No cash settled share based payments had vested or forfeited at 31 March 2021 and 2020, respectively. Outstanding cash settled options as at 31 March 2021 are 2,592,557. None of the cash settled options are exercisable as at 31 March 2021.

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

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

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

d) Expenses arising from share-based payment transactions
The expense recognised for employee services received during the year is shown in the following table:

	For the year ended	
Particulars	**31 March 2021**	**31 March 2020**
Expense arising from equity-settled share-based payment transactions	189	206
Expense arising from repurchases vested stock options	31	-
Expense arising from cash settled share based payments transactions	102	-
Total expense arising from share-based payment transactions*	**322**	**206**

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

(Amounts in INR millions, unless otherwise stated)

43 Group information

(a) Subsidiaries

The group's subsidiaries are set out below. Unless otherwise stated, they have equity share capital that are held directly held by the group, and the proportion of ownership interests held equals to the voting rights held by the group. The country of incorporation is also their principal place of business.

S.No	Name of Companies	Holding Company	Country of Incorporation	31 March 2021	31 March 2020
1.	ReNew Wind Energy (AP 3) Private Limited	ReNew Power Private Limited	India	100%	100%
2.	ReNew Solar Power Private Limited (refer note 1)	ReNew Power Private Limited	India	100%	100%
3.	ReNew Wind Energy (MP) Private Limited	ReNew Power Private Limited	India	100%	100%
4.	ReNew Wind Energy (Varekarwadi) Private Limited	ReNew Power Private Limited	India	100%	100%
5.	ReNew Wind Energy Delhi Private Limited	ReNew Power Private Limited	India	100%	100%
6.	ReNew Wind Energy (Jamb) Private Limited	ReNew Power Private Limited	India	100%	100%
7.	ReNew Wind Energy (Devgarh) Private Limited	ReNew Power Private Limited	India	100%	100%
8.	ReNew Wind Energy (AP) Private Limited (refer note 3)	ReNew Power Private Limited	India	70%	66%
9.	Narmada Wind Energy Private Limited	ReNew Power Private Limited	India	100%	100%
10.	ReNew Wind Energy (Sipla) Private Limited	ReNew Power Private Limited	India	100%	100%
11.	ReNew Solar Energy (Jharkhand One) Private Limited (refer note 1)	ReNew Solar Power Private Limited	India	100%	100%
12.	ReNew Solar Energy (Jharkhand Three) Private Limited (refer note 1)	ReNew Solar Power Private Limited	India	51%	51%
13.	ReNew Solar Energy (Jharkhand Four) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
14.	ReNew Solar Energy (Jharkhand Five) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
15.	ReNew Wind Energy (Karnataka Two) Private Limited	ReNew Power Private Limited	India	100%	100%
16.	Abaha Wind Energy Developers Private Limited	ReNew Power Private Limited	India	100%	100%
17.	ReNew Solar Energy Private Limited (refer note 1)	ReNew Power Private Limited	India	100%	100%
18.	ReNew Wind Energy (TN) Private Limited	ReNew Power Private Limited	India	100%	100%
19.	ReNew Wind Energy (Budh 3) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
20.	ReNew Wind Energy (MP One) Private Limited	ReNew Power Private Limited	India	100%	100%
21.	ReNew Solar Energy (Telangana) Private Limited (refer note 1)	ReNew Solar Power Private Limited	India	51%	51%
22.	ReNew Power Services Private Limited (refer note 1 & 2)	ReNew Power Private Limited	India	100%	100%
23.	ReNew Solar Energy (Karnataka Two) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
24.	ReNew Wind Energy (Shivpur) Private Limited	ReNew Power Private Limited	India	100%	100%
25.	ReNew Wind Energy (Karnataka) Private Limited (refer note 1)	ReNew Power Private Limited	India	71%	64%
26.	ReNew Wind Energy (Karnataka 3) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
27.	ReNew Wind Energy (AP Five) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
28.	ReNew Saur Urja Private Limited	ReNew Solar Power Private Limited	India	100%	100%
29.	Bhumi Prakash Private Limited	ReNew Solar Power Private Limited	India	100%	100%
30.	Tarun Kiran Bhoomi Private Limited	ReNew Solar Power Private Limited	India	100%	100%
31.	ReNew Saur Shakti Private Limited (Formerly known as Surya Prakash Urja Bhoomi Private Limited)	ReNew Solar Power Private Limited	India	100%	100%
32.	ReNew Agni Power Private Limited (Formerly known as Bhanu Dhara Kiran Private Limited)	ReNew Solar Power Private Limited	India	100%	100%
33.	ReNew Mega Solar Power Private Limited (Formerly known as Sun Season Private Limited) (refer note 1)	ReNew Solar Power Private Limited	India	51%	51%
34.	ReNew Wind Energy (Rajasthan 2) Private Limited	ReNew Power Private Limited	India	100%	100%
35.	ReNew Wind Energy (MP Two) Private Limited	ReNew Power Private Limited	India	100%	100%
36.	ReNew Wind Energy (Jath Three) Private Limited	ReNew Power Private Limited	India	100%	100%
37.	ReNew Wind Energy (Karnataka 4) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
38.	ReNew Wind Energy (Maharashtra) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
39.	ReNew Wind Energy (MP Four) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
40.	ReNew Wind Energy (AP2) Private Limited	ReNew Power Private Limited	India	100%	100%
41.	ReNew Wind Energy (Orissa) Private Limited	ReNew Power Private Limited	India	100%	100%
42.	ReNew Wind Energy (AP 4) Private Limited	ReNew Power Private Limited	India	100%	100%
43.	ReNew Wind Energy (Jadeswar) Private Limited	ReNew Power Private Limited	India	100%	100%
44.	ReNew Wind Energy (Welturi) Private Limited	ReNew Power Private Limited	India	100%	100%
45.	ReNew Solar Services Private Limited (refer note 1 & 2) (Formerly known as ReNew Wind Energy (Vaspet 4) Private Limited)	ReNew Solar Energy Private Limited	India	100%	100%
46.	ReNew Solar Energy (Rajasthan) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
47.	ReNew Wind Energy (Vaspet 5) Private Limited	ReNew Power Private Limited	India	100%	100%
48.	ReNew Solar Energy (Karnataka) Private Limited (refer note 1)	ReNew Solar Power Private Limited	India	100%	100%
49.	ReNew Wind Energy (TN 2) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
50.	ReNew Wind Energy (Rajkot) Private Limited	ReNew Power Private Limited	India	100%	100%
51.	ReNew Wind Energy (Rajasthan) Private Limited	ReNew Power Private Limited	India	100%	100%
52.	ReNew Akshay Urja Limited (Formerly known as ReNew Akshay Urja Private Limited) (refer note 1)	ReNew Solar Power Private Limited	India	100%	56%
53.	ReNew Wind Energy (Jath) Limited (Formerly known as ReNew Wind Energy (Jath) Private Limited)	ReNew Power Private Limited	India	100%	100%
54.	ReNew Wind Energy (Rajasthan One) Private Limited	ReNew Power Private Limited	India	100%	100%
55.	ReNew Wind Energy (Rajasthan 3) Private Limited	ReNew Power Private Limited	India	100%	100%
56.	ReNew Solar Energy (TN) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
57.	ReNew Wind Energy (Karnataka Five) Private Limited	ReNew Power Private Limited	India	100%	100%
58.	ReNew Wind Energy (MP Three) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
59.	ReNew Wind Energy (Rajasthan Four) Private Limited	ReNew Solar Power Private Limited	India	100%	100%
60.	ReNew Clean Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
61.	ReNew Distributed Solar Energy Private Limited (refer note 1)	ReNew Solar Energy Private Limited	India	100%	100%
62.	ReNew Distributed Solar Services Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
63.	ReNew Distributed Solar Power Private Limited (refer note 1)	ReNew Solar Energy Private Limited	India	100%	100%
64.	ReNew Surya Mitra Private Limited (refer note 1 & 3)	ReNew Solar Energy Private Limited	India	68%	1%
65.	ReNew Surya Prakash Private Limited (refer note 1)	ReNew Solar Energy Private Limited	India	100%	100%
66.	ReNew Saur Vidyut Private Limited (refer note 1)	ReNew Solar Energy Private Limited	India	100%	100%
67.	ReNew Solar Daylight Energy Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
68.	ReNew Solar Sun Flame Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
69.	ReNew Power Singapore Pte. Ltd.	ReNew Power Private Limited	Singapore	100%	100%
70.	Abha Sunlight Private Limited	ReNew Solar Power Private Limited	India	100%	100%
71.	Nokor Solar Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
72.	Izra Solar Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
73.	Zorya Solar Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
74.	Vivasvat Solar Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
75.	Nokor Bhoomi Private Limited	ReNew Solar Power Private Limited	India	100%	100%
76.	Akhilagya Solar Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
77.	Adyah Solar Energy Private Limited (refer note 6)	ReNew Solar Power Private Limited	India	100%	100%
78.	ReNew Transmission Ventures Private Limited	ReNew Power Private Limited	India	100%	100%
79.	Helios Infratech Private Limited	ReNew Power Private Limited	India	100%	100%
80.	Shruti Power Projects Private Limited	ReNew Power Private Limited	India	100%	100%
81.	Lexicon Vanijya Private Limited	ReNew Solar Power Private Limited	India	100%	100%
82.	Symphony Vyapar Private Limited	ReNew Solar Power Private Limited	India	100%	100%
83.	Star Solar Power Private Limited	ReNew Solar Power Private Limited	India	100%	100%
84.	Sungold Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
85.	ReNew Energy Services Private Limited (formerly known as Sunsource Energy Services Private Limited)	ReNew Solar Energy Private Limited	India	100%	100%
86.	Molagavalli ReNewable Private Limited	ReNew Power Private Limited	India	100%	100%
87.	ReNew Vayu Urja Private Limited (Formerly known as KCT Renewable Energy Private Limited)	ReNew Power Private Limited	India	100%	100%
88.	Rajat ReNewables Limited	ReNew Power Private Limited	India	100%	100%
89.	Kanak ReNewables Limited	ReNew Power Private Limited	India	100%	100%
90.	Bidwal ReNewable Private Limited	ReNew Power Private Limited	India	100%	100%
91.	Pugalur ReNewable Private Limited	ReNew Power Private Limited	India	100%	100%

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

S.No	Name of Companies	Holding Company	Country of Incorporation	31 March 2021	31 March 2020
92.	AVP Powerinfra Private Limited	Ostro Energy Private Limited	India	100%	100%
93.	Badoni Power Private Limited	Ostro Energy Private Limited	India	100%	100%
94.	Ostro Alpha Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
95.	Ostro Anantapur Private Limited	Ostro Energy Private Limited	India	100%	100%
96.	Ostro Andhra Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
97.	Ostro AP Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
98.	Ostro Bhesada Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
99.	Ostro Dakshin Power Private Limited	Ostro Energy Private Limited	India	100%	100%
100.	Ostro Dhar Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
101.	Ostro Jaisalmer Private Limited	Ostro Energy Private Limited	India	100%	100%
102.	Ostro Kannada Power Private Limited	Ostro Energy Private Limited	India	100%	100%
103.	Ostro Kutch Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
104.	Ostro Madhya Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
105.	Ostro Mahawind Power Private Limited	Ostro Energy Private Limited	India	100%	100%
106.	Ostro Raj Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
107.	Ostro Rann Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
108.	Ostro ReNewables Private Limited	Ostro Energy Private Limited	India	100%	100%
109.	Ostro Urja Wind Private Limited	Ostro Energy Private Limited	India	100%	100%
110.	Prathamesh Solarfarms Limited	Ostro Energy Private Limited	India	100%	100%
111.	Ostro Energy Private Limited	ReNew Power Services Private Limited	India	100%	100%
112.	Zemira ReNewable Energy Limited	ReNew Power Private Limited	India	100%	100%
113.	ReNew Americas Inc. (refer note 5)	ReNew Power Private Limited	United States of America	100%	100%
114.	Auxo Solar Energy Private Limited	Renew Wind Energy (TN) Private Limited	India	100%	100%
115.	ReNew Power International Limited	ReNew Power Private Limited	United Kingdom	100%	100%
116.	Zorya Distributed Power Services Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
117.	ReNew Cleantech Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
118.	ReNew Sun Ability Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
119.	ReNew Mega Light Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
120.	ReNew Sun Waves Private Limited	ReNew Solar Energy (Jharkhand Four) Private Limited	India	100%	100%
121.	ReNew Sun Flash Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
122.	ReNew Sun Bright Private Limited	ReNew Solar Energy (Jharkhand Four) Private Limited	India	100%	100%
123.	ReNew Sun Energy Private Limited	ReNew Solar Power Private Limited	India	100%	100%
124.	Auxo Sunlight Private Limited (refer note 1)	ReNew Solar Power Private Limited	India	100%	100%
125.	ReNew Services Private Limited	ReNew Power Private Limited	India	100%	100%
126.	ReNew Sun Power Private Limited	ReNew Solar Power Private Limited	India	100%	100%
127.	ReNew Mega Urja Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
128.	ReNew Mega Spark Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
129.	ReNew Mega Green Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
130.	ReNew Green Energy Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
131.	ReNew Green Power Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
132.	Greenyana Sunstream Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
133.	Renew Vyoman Power Private Limited	ReNew Power Private Limited	India	100%	100%
134.	Renew Vyoman Energy Private Limited	ReNew Power Private Limited	India	100%	100%
135.	Renew Vyan Shakti Private Limited	ReNew Power Private Limited	India	100%	100%
136.	Shekhawati Solar Park Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
137.	ReNew Green Solutions Private Limited	ReNew Solar Energy Private Limited	India	100%	100%
138.	ReNew Surya Roshni Private Limited	ReNew Solar Power Private Limited	India	100%	100%
139.	ReNew Solar Urja Private Limited	ReNew Solar Power Private Limited	India	100%	100%
140.	ReNew Surya Ojas Private Limited	ReNew Solar Power Private Limited	India	100%	100%
141.	ReNew Surya Vihaan Private Limited	ReNew Solar Power Private Limited	India	100%	100%
142.	ReNew Surya Jyoti Private Limited	ReNew Solar Energy Private Limited	India	100%	-
143.	ReNew Surya Aayan Private Limited	ReNew Solar Power Private Limited	India	100%	-
144.	ReNew Solar Vidhu Private Limited	ReNew Solar Power Private Limited	India	100%	-
145.	ReNew Surya Pratap Private Limited	ReNew Solar Energy Private Limited	India	100%	-
146.	ReNew Surya Alok Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
147.	ReNew Surya Kiran Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
148.	ReNew Surya Tejas Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
149.	ReNew Surya Uday Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
150.	ReNew Solar Piyush Private Limited	ReNew Solar Power Private Limited	India	100%	-
151.	ReNew Stellar Private Limited	ReNew Solar Power Private Limited	India	100%	-
152.	Regent Climate Connect Knowledge Solutions Private Limited	ReNew Power Private Limited	India	100%	-
153.	Renew Vayu Power Private Limited	ReNew Power Private Limited	India	100%	-
154.	Renew Vayu Energy Private Limited	ReNew Power Private Limited	India	100%	-
155.	Renew Pawan Urja Private Limited	ReNew Power Private Limited	India	100%	-
156.	Renew Pawan Shakti Private Limited	ReNew Power Private Limited	India	100%	-
157.	ReNew Photovolitics Private Limited	ReNew Power Private Limited	India	100%	-
158.	Renew Sun Renewables Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
159.	Renew Sunlight Energy Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
160.	Renew Sun Shakti Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
161.	ReNew Ravi Tejas Private Limited	ReNew Green Energy Solutions Private Limited	India	100%	-
162.	Heramba ReNewables Limited (refer note 4)	Ostro Energy Private Limited	India	75%	75%
163.	Aalok Solarfarms Limited (refer note 4)	Ostro Energy Private Limited	India	75%	75%
164.	Abha Solarfarms Limited (refer note 4)	Ostro Energy Private Limited	India	75%	75%
165.	Shreyas Solarfarms Limited (refer note 4)	Ostro Energy Private Limited	India	75%	75%

All the group companies listed above are engaged in generation of power through non-conventional and renewable energy sources except for below entities
a) ReNew Wind Energy (Jamb) Private Limited is solely engaged in providing Engineering Procurement and Construction ("EPC") services.
b) ReNew Services Private Limited is solely engaged in providing Operation and maintenance services
c) Regent Climate Connect Knowledge Solutions Private Limited which is solely engaged in consultancy on environment

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

2. These companies are engaged in providing services for operation and management

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

4. These entities were under joint control till 31 December 2020 and were accounted for as equity method till this date. With effect from 1 January 2021, control was established over these entities and have been consolidated in the Group's financial statements as at 31 March 2021

5. The entity has been liquidated subsequently on November 09, 2020

6. Adyah Solar Energy Private Limited, a wholly owned subsidiary was disposed on 15 February 2021.

(Amounts in INR millions, unless otherwise stated)

(b) Interests in entities under joint control accounted for under equity method

S.No	Name of companies	Investor entity	Country of Incorporation	As at 31 March 2021	As at 31 March 2020
1	Aalok Solarfarms Limited	Ostro Energy Private Limited	India	-	75%
2	Abha Solarfarms Limited	Ostro Energy Private Limited	India	-	75%
3	Heramba Renewables Limited	Ostro Energy Private Limited	India	-	75%
4	Shreyas Solarfarms Limited	Ostro Energy Private Limited	India	-	75%

These companies ceased to exist as entities under joint control with effect from 1 January 2021 as control was established from this date. These four entities have been consolidated in the Group's financial statements with effect from 1 January 2021.

(c) Interests in joint operations*

S.No	Name of Companies	Holding Company	Country of Incorporation	31 March 2021	31 March 2020
1.	VG DTL Transmissions Private Limited	ReNew Wind Energy (AP 2) Private Limited	India	50%	-

*Also refer note 56.

S.R. BATLIBOI & CO. LLP GURUGRAM

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ReNew Power Private Limited

ReNew Power Private Limited
Notes to the consolidated financial statements
(Amounts in INR millions, unless otherwise stated)

44 Related party disclosure

Names of related parties and related party relationship

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

I. Entities with significant influence on the Company

GS Wyvern Holdings Limited

II. Key management personnel or relatives of key management personnel

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

III. Entities owned or significantly influenced by key management personnel or their relatives:

Wisemore Advisory Private Limited
ReNew Foundation

IV. Entities under joint control:

Prathamesh Solarfarms Limited (till 30 January 2019)
Heramba Renewables Limited (till 31 December 2020)*
Aalok Solarfarms Limited (till 31 December 2020)*
Shreyas Solarfarms Limited (till 31 December 2020)*
Abha Solarfarms Limited (till 31 December 2020)*
VG DTL Transmissions Private Limited

*These companies ceased to exist as entities under joint control with effect from 1 January 2021 as control was established from this date. These four entities have been consolidated in the Group's financial statements with effect from 1 January 2021.

V. Remuneration to key managerial personnel (KMP):

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

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

VI. Details of transactions and balances with entities having significant influence on the Company

	GS Wyvern Holdings Limited	
Transactions during the year end	**31 March 2021**	**31 March 2020**
Compulsorily convertible preference shares issued	-	7,734
Interest expense on compulsorily convertible preference shares outstanding	1,165	-

	GS Wyvern Holdings Limited	
Balances as at year end	**31 March 2021**	**31 March 2020**
Compulsorily convertible preference shares outstanding	8,899	7,734

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

VII. Transactions and balances with entities under joint control:

Transactions during the year end	Heramba Renewables Limited		Aalok Solarfarms Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Unsecured loan received	221	-	114	-
Unsecured loan repaid	4	11		7
Interest expense on unsecured loan received	6	5		-
Expenses incurred on behalf of the related party	23	0	11	-
Expenses incurred on behalf by the related party	-	-	0	-
Interest income on unsecured loan given	-	-	-	-
Income from management shared services	5	5	2	3
Income from operation and maintenance services	8	5	4	3
Interest income on compulsorily convertible debentures	17	21	8	12
Interest expense on unsecured loan received	-	-	3	2

Transactions during the year end	Shreyas Solarfarms Limited		Abha Solarfarms Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Unsecured loan given	-	-	-	-
Unsecured loan received back	5	-	-	-
Unsecured loan received	222	-	105	43
Unsecured loan repaid	11	12	-	-
Expenses incurred on behalf of the related party	23	0	12	0
Expenses incurred on behalf by the related party	0	-	-	-
Interest income on unsecured loan given	0	0	-	-
Income from operation and maintenance services	8	5	4	3
Interest expense on unsecured loan received	6	5	4	3
Interest income on compulsorily convertible debentures	17	23	8	11
Income from management shared services	4	5	2	3

Balances as at year end	Heramba Renewables Limited		Aalok Solarfarms Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade receivable	-	11	-	6
Recoverable from related party	-	3	-	-
Unsecured loan payable	-	58	-	30
Interest expense accrued on unsecured loan payable	-	5	-	-
Unbilled operation and maintenance revenue	-	6	-	3
Interest expense accrued on unsecured loan payable	-	-	-	3
Interest accrued on compulsorily convertible debentures	-	19	-	11
Corporate guarantee outstanding to project lender(s)	-	148	-	-
Recoverable from related party	-	-	-	3
Corporate guarantee outstanding to project lender(s)	-	-	-	74

Balances as at year end	Shreyas Solarfarms Limited		Abha Solarfarms Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade receivable	-	12	-	6
Trade payable	-	-	-	0
Unsecured loan payable	-	59	-	-
Unsecured loan receivable	-	5	-	-
Unbilled operation and maintenance revenue	-	6	-	3
Interest expense accrued on unsecured loan payable	-	5	-	3
Unsecured loan payable	-	-	-	43
Interest income accrued on unsecured loan receivable	-	0	-	-
Interest accrued on compulsorily convertible debentures	-	21	-	10
Recoverable from related party	-	3	-	6
Corporate guarantee outstanding to project lender(s)	-	148	-	74

Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

VIII. Transactions and balances with other related parties:

Transactions during the year end	ReNew Foundation	
	31 March 2021	31 March 2020
Contribution for CSR activities	0	3

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

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

Financial guarantees

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

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

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(Amounts in INR millions, unless otherwise stated)

45 Segment information

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

The Group discloses segment information in a manner consistent with internal reporting to Chairman and Managing Director. The Group entities have segments based on type of business operations. The reportable segments of Group under Ind AS 108 are Wind Power and Solar Power which predominantly relate to generation and sale of electricity and construction activities. The Group entities does not operate in more than one geographical segment. The Group discloses in the segment information Earnings before interest, tax, depreciation and amortisation (EBITDA), where EBITDA is measured on the basis of profit/(loss) from continuing operations.

No operating segment has been aggregated to form the above reportable operating segments. Further, total assets and liabilities balance for each reportable segment is not reviewed by or provided to the CODM.

	For the year ended 31 March 2021				For the year ended 31 March 2020			
Particulars	**Wind Power**	**Solar Power**	**Unallocable**	**Total**	**Wind Power**	**Solar Power**	**Unallocable**	**Total**
Revenue from operations	29,414	18,732	39	48,185	31,803	16,597	15	48,415
Revenues from external customers	**29,414**	**18,732**	**39**	**48,185**	**31,803**	**16,597**	**15**	**48,415**
Other income	4,232	1,036	1,058	6,326	2,977	595	1,230	4,802
Total Income	**33,646**	**19,768**	**1,097**	**54,511**	**34,780**	**17,192**	**1,245**	**53,217**
Less: Employee benefits and other expenses	4,784	2,543	1,680	9,007	3,662	2,088	1,342	7,092
Total Expenses	**4,784**	**2,543**	**1,680**	**9,007**	**3,662**	**2,088**	**1,342**	**7,092**
Earning before interest, tax, depreciation and amortisation (EBITDA)	**28,862**	**17,225**	**(583)**	**45,504**	**31,118**	**15,104**	**(97)**	**46,125**
Depreciation and amortisation expense (net)				13,734				14,819
Finance costs				37,893				34,963
Profit / (loss) before tax				**(6,123)**				**(3,657)**
Share in loss of jointly controlled entities				(58)				(53)
Exceptional items				(186)				-
Tax expense				1,902				1,316
Loss for the year				**(8,269)**				**(5,026)**

The revenues from four major customers for the year ended 31 March 2021 amounts to INR 23,175 (31 March 2020: four customers amounting to INR 23,312) each of which contributes more than 10% of the total revenue of the Group. Out of these, revenues from wind segment amounts to INR 14,676 (31 March 2020: INR 15,982) and solar segment amounts to INR 8,499 (31 March 2020: INR 7,330).

S. R. BATLIBOI & CO. LLP ★ GURUGRAM ★

ReNew Power Private Limited ★

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(Amounts in INR millions, unless otherwise stated)

46 Fair values

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

	31 March 2021		31 March 2020	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Security deposits	185	185	131	131
Bank deposits with remaining maturity for more than twelve months	2,702	2,702	142	142
Trade receivables	35,946	35,946	26,071	26,071
Cash and cash equivalent	20,750	20,750	13,089	13,089
Bank balances other than cash and cash equivalent	26,732	26,732	31,203	31,203
Deferred consideration receivable	1,936	1,936	-	-
Advances recoverable	154	154	233	233
Interest accrued on fixed deposits	394	394	607	607
Interest accrued on compulsorily convertible debentures	-	-	61	61
Government grant receivable	1,161	1,161	1,749	1,749
Loans to related parties	11	11	5	5
Interest accrued on loans to related parties	-	-	0	0
Recoverable from related parties	-	-	15	15
Other current financial assets	53	53	53	53
Measured at FVTPL				
Investment in unquoted compulsorily convertible debentures of entities under joint control	-	-	624	624
Measured at FVOCI				
Derivative instruments	2,691	2,691	8,718	8,718
Financial liabilities				
Financial guarantee contracts	78	78	-	-
Measured at amortised cost				
Non Convertible Debentures	91,584	92,878	45,211	45,211
Term loan from bank	51,157	51,455	53,924	53,924
Term loan from financial institutions	93,422	99,394	92,489	92,489
Compulsorily convertible debentures	809	809	553	553
Lease liabilities	321	321	251	251
Senior secured notes	92,921	98,308	128,160	128,160
Compulsorily convertible preference shares	26,697	26,697	23,200	23,200
Interest accrued but not due on borrowings	1,686	1,686	1,692	1,692
Interest accrued but not due on debentures	1,344	1,344	371	371
Capital creditors	8,971	8,971	8,926	8,926
Purchase consideration payable	191	191	272	272
Others	1	1	109	109
Short-term borrowings	19,643	19,643	12,191	12,191
Trade payables	3,166	3,166	3,690	3,690
Measured at FVOCI				
Derivative instruments	1,069	1,069	-	-

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

The following methods and assumptions were used to estimate the fair

i Fair values of the Group's term loans from banks, term loans from financial institutions, non convertible debentures, acceptances and senior secured notes including current maturities are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. The own non-performance risk as at 31 March 2021 and 2020 was assessed to be insignificant.

ii Fair values of the liability component of compulsory convertible preference shares and compulsory convertible debentures determined by using DCF method using discount rate that reflects the borrowing rate as at the end of the reporting period. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk. The own non-performance risk as at 31 March 2021 and 2020 was assessed to be insignificant.

iii Fair values of the non-current trade receivables, security deposits given are determined by using 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 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

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

47 Fair value hierarchy

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the year ended 31 March 2021. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

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

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

		31 March 2021		31 March 2020	
Financial assets	**Level**	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Measured at amortised cost*					
Security deposits	Level 3	158	158	126	126
Trade receivables	Level 2	1,178	1,178	-	-
Bank deposits with remaining maturity for more than twelve months	Level 2	2,702	2,702	142	142
Measured at FVTPL					
Investments, unquoted debt securities	Level 3	-	-	624	624
Measured at FVTOCI					
Derivative instruments	Level 2	2,691	2,691	8,718	8,718

		31 March 2021		31 March 2020	
Financial liabilities	**Level**	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Measured at FVTPL					
Financial guarantee contracts	Level 3	78	78	-	-
Measured at amortised cost*					
Non convertible debentures	Level 3	91,584	92,878	45,211	45,211
Compulsorily convertible debentures	Level 3	809	809	553	553
Term loan from bank	Level 3	51,157	51,455	53,924	53,924
Term loan from financial institutions	Level 3	93,422	99,394	92,489	92,489
Compulsorily convertible preference shares	Level 3	26,697	26,697	23,200	23,200
Senior secured notes	Level 3	92,921	98,308	128,160	128,160
Interest accrued but not due on debentures	Level 3	132	132	-	-
Measured at FVTOCI					
Derivative instruments	Level 2	1,069	1,069	-	-

*Assets / liabilities for which fair values are disclosed

Set out below are the fair value hierarchy, valuation techniques and inputs used as at 31 March 2021 and 2020:

Particulars	Fair value	Valuation technique	Inputs used
Financial assets measured at FVTPL			
Investments, unquoted debt securities	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Financial assets measured at FVTOCI			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial assets measured at amortised cost			
Security deposits	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Trade receivables	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Bank deposits with remaining maturity for more than twelve months	Level 2	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Financial liabilities measured at FVTOCI			
Derivative instruments	Level 2	Market value techniques	Forward foreign currency exchange rates, interest rates to discount future cash flows
Financial liabilities measured at FVTPL			
Financial guarantee contracts	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Financial liabilities measured at amortised cost			
Non convertible debentures	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Compulsorily convertible debentures	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Term loan from bank	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Term loan from financial institutions	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Senior secured notes	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Compulsorily convertible preference shares	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows
Interest accrued but not due on debentures	Level 3	Discounted cash flow	Prevailing interest rates in the market, future cash flows

Renew Power Private Limited

S. R. Batliboi & Co. LLP Gurugram

(Amounts in INR millions, unless otherwise stated)

48 Financial Risk Management objectives and policies

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

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

a) Market Risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place as at 31 March 2021.

(i) Interest rate Risk

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

Interest Rate Sensitivity

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

	31 March 2021		31 March 2020	
	Increase/decrease in basis points	Effect on profit before tax	Increase/decrease in basis points	Effect on profit before tax
INR	+/(-)50	(-)/+646	+/(-)50	(-)/+615

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

(ii) Foreign Currency Risk

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

b) Credit Risk

Credit risk is the risk that the power procurer will not meet their obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from their operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. The credit risk exposure is insignificant given the fact that substantially whole of the revenues are from state utilities/government entities. The Group only deals with parties which has good credit rating / worthiness given by external rating agencies or based on the Group's internal assessment.

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

The maximum credit exposure to credit risk for the components of the Balance Sheet at 31 March 2021 and 2020 is the carrying amount of all the financial assets except for financial guarantees. The Group's maximum exposure relating to financial guarantees is disclosed in Note 44 and the liquidity table below.

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Renew Power Private Limited

(i) Trade Receivables

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

The trade receivable balances of the Group are evenly spread over customers.

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

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

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

As at 31 March 2021

	Trade receivables (days past due)				
	0 - 6 months	**6 -12 months**	**12 -18 months**	**> 18 months**	**Total**
Gross carrying amount	18,585	9,308	1,425	7,188	**36,506**
Expected credit loss	173	178	68	142	**560**

(ii) Financial instruments and credit risk

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

(iii) Other financial assets

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

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(Amounts in INR millions, unless otherwise stated)

c) Liquidity Risk

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

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

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

As at 31 March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings (Other than preference shares)#						
Unlisted redeemable, non cumulative and non convertible debentures*	-	-	-	71,498	48,551	120,049
Compulsorily convertible debentures	-	-	-	349	700	1,049
Term loan from banks*	-	-	-	26,929	45,804	72,733
Loans from financial institutions*	-	-	-	51,317	113,459	164,776
Senior secured notes*	-	-	-	86,200	21,242	107,442
Short term borrowings						
Acceptances (secured)	-	1,788	381	-	-	2,169
Buyer's / Supplier's credit (secured)	-	-	2,962	-	-	2,962
Working capital term loan (secured)	-	175	5,350	-	-	5,525
Non Convertible Debentures (secured) (NCDs)		-	9,000	-	-	9,000
Lease liabilities	-	81	240	878	5,332	6,531
Other financial liabilities						
Current maturities of long term borrowings*	4,151	10,067	27,929	-	-	42,147
Interest accrued but not due on borrowings	-	1,074	612	-	-	1,686
Interest accrued but not due on debentures	-	936	275	-	132	1,344
Capital creditors	-	8,971	-	-	-	8,971
Purchase consideration payable	-	191	-	-	-	191
Financial guarantee contracts@	4,900	-	-	-	-	4,900
Trade payables						
Trade payables	-	3,167	-	-	-	3,167

(Amounts in INR millions, unless otherwise stated)

As at 31 March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Borrowings (Other than preference shares)#						
Unlisted redeemable, non cumulative and non convertible debentures*	-	-	-	35,647	18,903	54,550
Compulsorily convertible debentures	-	-	65	261	745	1,071
Term loan from banks*	-	-	-	26,152	52,337	78,489
Loans from financial institutions*	-	-	-	53,874	119,986	173,860
Senior secured notes*	-	-	-	130,525	23,088	153,613
Short term borrowings						
Acceptances (secured)	-	293	310	-	-	603
Loan from related party (unsecured)	190	-	-	-	-	190
Loan from body corporate (unsecured)	43	-	-	-	-	43
Buyer's / Supplier's credit (secured)	-	583	3,927	-	-	4,510
Working capital term loan (secured)	-	5,630	-	-	-	5,630
Loan from bank (secured)	-	1,230	-	-	-	1,230
Lease liabilities	-	104	148	767	3,312	4,331
Other financial liabilities						
Current maturities of long term borrowings*	-	10,983	37,001	-	-	47,984
Interest accrued but not due on borrowings	-	537	1,156	-	-	1,693
Interest accrued but not due on debentures	-	242	129	-	-	371
Capital creditors	-	8,926	-	-	-	8,926
Purchase consideration payable	-	272	-	-	-	272
Trade payables						
Trade payables	-	3,690	-	-	-	3,690

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

* Including future interest payments.

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

The Group has undrawn loan facilities amounting to INR 22,111 as at 31 March 2021 (31 March 2020: INR 52,148).

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ReNew Power Private Limited *

(Amounts in INR millions, unless otherwise stated)

49 Capital management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

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

The policy of the Group is to keep the gearing ratio of the power project to 3:1 during the construction phase and aim to enhance it to 4:1 post the construction phase. This is in line with the industry standard ratio. The current gearing ratios of the various projects in the Group is between 3:1 to 4:1. In order to achieve this overall objective, the capital management of the Group, amongst other things, aims to ensure that they meet financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

For all long-term loan arrangements from banks, the Group has complied with the debt covenants except for long-term borrowing arrangements having non-current portion amounting to INR 3,895 as at 31 March 2021, where the Group could not meet covenants with the effect that the liability became payable on demand. The Group has classified these liabilities as current. Further, for such borrowings outstanding as at 31 March 2021, the Group has applied for waiver amounting to INR 3,664.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2021 and 31 March 2022.

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

(i) Contingent liabilities

Description	As at 31 March 2021	As at 31 March 2020
Contingent liabilities on account of liquidated damages for delay in project commissioning. The management believes that any amount of liquidated damages to be levied by customer shall be entirely reimbursable from capital vendors of respective projects and from purchase consideration pending to be paid as per the contract clauses, accordingly no amount is provided in consolidated financial statements as at 31 March 2021 and 2020.	917	242
Income tax disallowances / demands under litigation #@	40	-
VAT, GST, service tax, entry tax matters #	91	-

The Group is contesting demands of direct and indirect taxes and the management, including its tax advisors, believe that its positions will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the demands raised.

@ There is an additional disallowance/addition to returned income for INR 440 of the Parent under section 37 of the Income Tax Act, 1961 for share based payment expenses. The management believes that any unfavourable judgement will not have any impact as this will be eligible for set off against unabsorbed losses / depreciation. Accordingly, no amount has been provided in consolidated financial statements as at 31 March 2021 and 2020. Also, since no deferred tax asset has been created on unabsorbed losses and depreciation, therefore, there will be no impact on the consolidated statement of profit or loss in case of unfavourable outcome.

(ii) Commitments:

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

At 31 March 2021, the group has capital commitment (net of advances) pertaining to commissioning of wind & solar energy projects of INR 55,483 (31 March 2020: 11,955).

Guarantees

The Group has obtained guarantees from financial institutions as a part of the bidding process for establishing renewable projects. Further, the Group issues irrevocable performance bank guarantees in relation to its obligation towards construction and transmission infrastructure of renewable power projects plants as required by the PPA and such outstanding guarantees are INR 13,218 as at 31 March 2021 (31 March 2020: INR 15,046).

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

51 Legal matters

(a) Dispute with Southern Power Distribution Company of Andhra Pradesh Limited

Certain subsidiaries companies (AP entities) have entered into long-term PPAs having a cumulative capacity of 777 MWs (wind and solar energy projects) with Southern Power Distribution Company of Andhra Pradesh Limited i.e. the distribution company of Andhra Pradesh (APDISCOM). These PPAs have a fixed rate per unit of electricity for the 25-year term. With regard to aforementioned PPAs, certain litigations as described below are currently underway:

a. In terms of the Generation Based Incentive (GBI) scheme of the Ministry of Renewable Energy (MNRE), the AP entities accrue income based on units of power supplied under the aforementioned PPAs. Andhra Pradesh Electricity Regulatory Commission (APERC) vide its order in July 2018 allowed APDISCOMS to interpret the Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Tariff Determination for Wind Power Projects) Regulations, 2015 (Regulations) in a manner to treat GBI as a pass through in the tariff.

The AP entities filed writ petition before the Andhra Pradesh High Court (AP High Court) challenging the vires of the regulation and the order by APERC and were granted an interim stay order in August 2018. As at 31 December 2020, the cumulative amount recoverable from the APDISCOM pertaining to period from February 2017 till July 2018, included in trade receivables amounts to INR 1,004 million. The AP entities have filed an interim application in AP High Court seeking payment of amount wrongfully deducted by the APDISCOM.

The management basis legal opinion obtained by it, believes that the GBI benefit is over and above the applicable tariffs and the APERC does not have jurisdiction to interfere with the intent of GBI scheme and therefore the outstanding amount is recoverable and hence no adjustment has been made in the consolidated financial statements in this regard.

b. The Government of Andhra Pradesh (GoAP) issued an order (GO) dated 1 July 2019 constituting a High-Level Negotiation Committee (HLNC) for review and negotiation of tariff for wind and solar energy projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 11 July 2019 and 12 July 2019 to the AP entities, requesting for revision of tariffs entered into in PPAs. The AP entities filed a writ petition on 23 July 2019 before the AP High Court challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High Court issued its order dated 24 September 2019 enumerating the following:

i. Writ petition is allowed, and both GO and the subsequent letters are set aside.
ii. Further, APDISCOM were instructed to honour pending and future bills and pay the same at the interim rate of INR 2.43 per unit till determination of O.P. No. 17 of 2018 pending before APERC
iii. APERC to dispose-off the case within a time frame of six months.

S.R. Batliboi & Co. LLP Gurugram

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

The AP Entities have filed a Writ Appeal before the division bench of the AP High Court challenging the jurisdiction of APERC in entertaining O.P. No. 17 of 2018. Parallelly, the AP Entities have filed another Writ Appeal before the division bench of the AP High Court challenging AP High Court's direction to the APDISCOM to pay tariff at interim rate till determination of OP No. 17 of 2018 by APERC.

Thereafter, certain power generating companies other than ReNew Group have filed petitions under Article 139 of the Constitution of India before the Supreme Court seeking transfer of the proceedings pending before the Division Bench of the High Court, and for adjudication of the same by the Supreme Court.

APDISCOM has also filed a Special Leave Petition (SLP) in the Supreme Court in October 2020 against the Judgment and order dated 19 December 2019 in I.A. No. 9 of 2019 in W.P. No. 9876 of 2019 of another power generating company in the industry, which modified the Order dated 24 September 2019, passed by Single Judge of AP High Court and directed APDISCOM to make payments at the rate mentioned in PPAs. The AP Entities through its Holding Company, ReNew Power Private Limited, has filed an impleadment application in the SLP apprehending that any order or observation of the Supreme Court may have an adverse impact on the Order dated 24 September 2019 and W.A. No. 6 of 2020 and batch pending before Division Bench of the AP High Court.

The AP entities have a net block of INR 50,154 as at 31 March 2021 (31 March 2020: INR 49,617) and have recognised a revenue of INR 6,680 for the year ended 31 March 2021 (31 March 2020: INR 6,911, 31 March 2019: INR 8,765) and have a trade receivable balance of INR 14,167 as at 31 March 2021 (31 March 2020: INR 8,945, 31 March 2019: INR 4,420) from sale of electricity against such PPAs [including an amount of INR 1,004 for GBI receivable as explained in part (a) to the note].

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

(b) Dispute with Karnataka Electricity Regulatory Commission

Distribution companies of the state of Karnataka issued demand notices to captive users (customers of certain Group's subsidiaries) and to the respective captive plants (hereinafter refer to as the "SPVs"), alleging that captive users had not consumed energy in proportion to their respective shareholding in the SPVs, thereby failing to maintain their Captive Status in accordance with Rule 3 of the Electricity Rules, 2005, and consequently, were liable to pay cross subsidy surcharge and differential between rate of electricity tax applicable on the energy consumed in the entire year.

SPVs had deposited a sum of INR 114 (31 March 2020: INR 114) under protest against the demand raised by distribution companies amounting INR 298 (31 March 2020: INR 298) in relation to the demand notices up to financial year ended 31 March 2018. Thereafter, the SPVs had filed petitions before the Karnataka Electricity Regulatory Commission (KERC) contesting these demands.

KERC had granted interim relief and stayed the demand notice and disconnection by the distribution companies till final adjudication of the petitions. The amount paid under protest has been accounted for as recoverable and disclosed under head "Other current assets" in these financial statements.

Apart from above, a sum of INR 180 has been demanded by distribution companies from some of the captive users of the SPVs towards energy supplied till 31 March 2021, alleging that the captive user had not consumed energy in proportion to its respective shareholding in the SPVs. The SPVs have filed a writ petitions in July, 2019 and August 2020 before the High Court of Karnataka challenging such demands and seeking their quashing. The High Court, vide Orders dated 18 July 2019, 18 December 2019, 18 September 2020 and 6 October 2020, has directed that no precipitative action shall be taken on these demand notices till final adjudication of the petitions.

The SPVs, based on legal advice obtained, believes that there are merits in its position and that the demand raised by distribution companies would be rescinded by relevant legal authorities and hence no adjustment has been made in the consolidated financial statements in this regard.

(c) Order of the Supreme Court of India to underground high-tension power lines

In earlier years, a petition in public interest (the "Writ Petition") was filed before the Supreme Court of India to seek directions to save two protected species of birds in the state of Rajasthan and Gujarat (the 'Birds') stating that these Birds collide with overhead transmission lines and suffer injuries or die. Subsequent to the year end, on 19 April 2021, the Supreme Court has ordered (the "Order") for all existing and future powerlines to be undergrounded, subject to feasibility in case of high-tension power lines. As at 31 March 2021, the Group has a total of 3,436.4 MW of power projects, of which 978.8 MW are commissioned and projects with 2,448.6 MW are under development in the area impacted by the Order.

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

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

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	60	52
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	2	2
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

53 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

S. R. Batliboi & Co. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

5) Education awareness, Remedial classes for weak students etc.
6) Health and Hygiene- Health camps in the community, cleanliness drive to create awareness.
7) Sports Training- Sports training camps in community
8) Education facility improvement- Construction of solar power plant in schools
9) Contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund

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

(a) Gross amount required to be spent by the group during the year is INR 71 (31 March 2020: INR 64).
(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	127	-	127
Total	**127**	**-**	**127**
Previous year*			
Construction / Acquisition of any asset	-	-	-
Other activities	26	47	73
Total	**26**	**47**	**73**

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

(c) Details related to spent / unspent obligations:

Particulars	31-Mar-21	31-Mar-20
i) Contribution to Prime Minister Care Fund	87	-
ii) Contribution to other than ongoing projects	40	26
iii) Unspent amount	-	47
Total	**127**	**73**

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

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	71	127	56

54 Hedging activities and derivatives

Derivatives designated as hedging instruments

The Group uses certain types of derivative financial instruments (viz. forwards contracts, swaps, call options and call spreads) to manage / mitigate its exposure to foreign exchange and interest risk. Further, the Group designates such derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation and interest risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow hedge').

The effective portion of changes in the fair value of derivative financial instruments (or its components) that are designated and qualify as cash flow hedges, are recognised in the other comprehensive income and held in hedge reserve - a component of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit or 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 or loss in the years when the hedged item affects profit or 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 or loss within other income / other expenses.

Cash flow hedges

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

-Suppliers credit (included in long term/short term borrowings)
Pay fixed INR and receive USD and pay fixed interest at 2.27% to 2.51% per annum.

-Loan (included in long term borrowings)
Pay fixed INR and receive USD and pay fixed interest at 3.44% to 10.19% per annum and receive a variable interest at 6 months LIBOR plus 2.41% per annum on the notional amount.

-Senior secured notes (included in long term borrowings)
Pay fixed INR and receive USD and pay fixed interest in INR at 6.34% to 10.74% per annum and receive a fixed interest in USD at 5.88% to 6.67% per annum on the notional amount.

The cash flow hedges through CCS of USD 360 (31 March 2020: USD 301), COS of USD 1,206 (31 March 2020: USD 119), POS of USD 64 (31 March 2020: USD Nil) and Call Spread of USD 299 (31 March 2020: USD 299), foreign currency call options of USD 855 (31 March 2020: USD 952) and foreign currency forwards of USD 1,016 (31 March 2020: USD 574) and EUR 2 (31 March 2020: EUR Nil) outstanding at the year ended 31 March 2021 were assessed to be highly effective and a mark to market gain of INR 4,884 (31 March 2020: INR 516) with a deferred tax liability of INR 144 (31 March 2020: INR 1,675) is included in OCI.

- All of the cash flow hedges were fully effective during financial years ended 31 March 2021 and 31 March 2020.
- All of the underlying foreign currency and floating interest rate exposure is fully hedged with cash flow hedges as at 31 March 2021 and 31 March 2020.
- The expiry dates of cash flow hedge deals range between 15 April 2021 to 15 January 2027.

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

S. R. BATLIBOI & CO. LLP * GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

	31 March 2021		31 March 2020	
	Assets	Liabilities	Assets	Liabilities
Derivative contracts designated as hedging instruments	2,691	1,069	8,718	-

Hedge reserve movement

a) Cash flow hedge reserve	31 March 2021	31 March 2020
Opening balance (after non-controlling interest)	(385)	(427)
Gain / (loss) recognised on cash flow hedges	(6,103)	1,262
(Gain) / loss reclassified to profit or loss (under head finance costs)	(58)	8
(Gain) / loss reclassified to non financial assets or liabilities as basis adjustment (under head property, plant and equipment)	(9)	559
(Gain) / loss reclassified to profit or loss as hedged future cash flows are no longer expected to occur	106	280
Income tax relating on cash flow hedges	1,665	(2,129)
Closing balance	**(4,784)**	**(447)**
Less: Non-controlling interest movement	(65)	62
Closing balance (after non-controlling interest)	**(4,849)**	**(385)**

b) Cost of hedge reserve on cash flow hedges

Opening balance (after non-controlling interest)	(701)	(85)
Effective portion of changes in fair value	(1,356)	(2,008)
Amount reclassified to profit or loss as option premium amortisation (under head finance costs)	1,773	1,119
Amount transferred to property, plant and equipment	42	-
Tax effect	(133)	273
Closing balance	**(375)**	**(701)**
Less: Non-controlling interest movement	0	0
Closing balance (after non-controlling interest)	**(375)**	**(701)**

Total Hedge reserve movement (a+b)

Opening balance (after non-controlling interest)	(1,086)	(512)
OCI for the year	(4,073)	(636)
Attributable to non-controlling interests	(65)	62
Closing balance (after non-controlling interest)	**(5,224)**	**(1,086)**

55 **(a) Investments in entities under joint control**

The Group also has investment in individually immaterial entities under joint control that are accounted using equity method.

Name of Companies	Opening balance	Addition during the year	Share in loss of jointly controlled entity	Acquired during the year*	Closing balance
Abha Solarfarms Limited					
As at 31 March 2021	89	-	(9)	(80)	-
As at 31 March 2020	84	15	(10)	-	89
Heramba Renewables Limited					
As at 31 March 2021	170	-	(19)	(151)	-
As at 31 March 2020	157	29	(16)	-	170
Aalok Solarfarms Limited					
As at 31 March 2021	91	-	(9)	(82)	-
As at 31 March 2020	85	15	(9)	-	91
Shreyas Solarfarms Limited					
As at 31 March 2021	174	-	(21)	(153)	-
As at 31 March 2020	163	29	(18)	-	174

* Refer note 56

(b) Joint operations

On date 17 September 2020, the Group through a subsidiary company namely ReNew Wind Energy (AP2) Private Limited has acquired 50% interest in a joint arrangement called VG DTL Transmissions Private Limited which was set up together with KP Energy Limited to develop evacuation facility for the SECI III project in the state of Gujarat.

The country of incorporation and principal place of business of the joint operation is in India. The interest in joint operation is not significant to the Group.

S. R. BATLIBOI & CO. LLP GURUGRAM

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ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

56 Business combination

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

i) Acquisition of entities which were earlier under joint control

The below listed entities were under joint control till 31 December 2020 and were accounted for under equity method. The Group held 75% stake in these entities till 31 December 2020. Due to amendments to the shareholder's agreements, these companies ceased to be entities under joint control with effect from 1 January 2021 as control was established from this date. However, no additional stake has been acquired. These four entities have been consolidated in the Group's financial statements with effect from 1 January 2021. These entities are involved in the business of generation of power through renewable energy sources considered as a single Group of CGU by the Group and are a part of Solar Power reporting segment.

- Aalok Solarfarms Limited
- Abha Solarfarms Limited
- Heramba Renewables Limited
- Shreyas Solarfarms Limited

The acquisition date fair value of the equity interest held by the Group immediately before the acquisition date was INR 493. The Group has recognised INR 27 gain as a result of remeasurement to fair value the equity interest in the entity. The fair value gain has been included in "other income" of the Group.

ii) Regent Climate Connect Knowledge Solutions Private Limited

The Group has acquired 100% stake in an unlisted company based in India on 28 August 2020, carrying out business activities relating to consultancy on environment for industries, business units, civil administration and public and local authorities in India and elsewhere.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

	For the year ended 31 March 2021	
Particulars	**Acquisition of entities which were earlier under joint control**	**Regent Climate Connect Knowledge Solutions Private Limited**
Acquisition date	**1 January 2021**	**28 August 2020**
Assets		
Property plant and equipment	2,559	1
Intangible assets	1,304	34
Right of use assets	38	-
Deferred tax assets (net)	-	9
Other non-current financial assets	-	0
Prepayments - non current	125	-
Loans - non current	11	-
Other non-current assets	24	-
Non current tax assets (net)	-	3
Trade receivables	107	6
Loans - current	837	-
Cash and cash equivalents	46	0
Bank balances other than cash and cash equivalent	1	-
Prepayments - current	17	-
Others current financial assets	36	1
Other current assets	4	2
Inventories	3	-
	5,112	**56**

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

Particulars	For the year ended 31 March 2021	
	Acquisition of entities which were earlier under joint control	Regent Climate Connect Knowledge Solutions Private Limited
Liabilities		
Loans term borrowings	4,072	8
Long term provisions	21	2
Other non-current liabilities	6	-
Other non-current financial liabilities	16	-
Deferred tax liabilities (net)	64	-
Short term borrowings	-	24
Trade payables	152	7
Other current financial liabilities	353	2
Other current liabilities	-	9
Short term provisions	-	0
	4,684	**52**
Total identifiable net assets at fair value	**428**	**4**
Non controlling interest in the acquired entity	107	-
Fair value of investment on the date of acquisition	493	-
Purchase consideration transferred	-	34
Goodwill on acquisition	**172**	**30**

Goodwill recognised represents the future economic and synergy benefits arising from assets acquired to strengthen its position in renewable energy sector. None of the goodwill recognised is expected to be deductible for income tax purposes.

From the date of acquisition till the financial year end date, the acquired entities have contributed in revenue and loss / profit before tax as follows:

Particulars	For the year ended 31 March 2021	
	Acquisition of entities which were earlier under joint control	Regent Climate Connect Knowledge Solutions Private Limited
Revenue	168	26
(Loss) / profit before tax	36	(36)

If the combination had taken place at the beginning of the year, the Group's revenue and loss before tax for the year would have been:

Particulars	For the year ended 31 March 2021
Revenue	48,713
(Loss) / profit before tax	(6,419)

Purchase consideration - cash flows

Particulars	For the year ended 31 March 2021	
	Acquisition of entities which were earlier under joint control	Regent Climate Connect Knowledge Solutions Private Limited
Cash consideration paid	-	34
Less: cash balances acquired	(46)	(0)
Acquisition of subsidiary, net of cash acquired	-	34
Cash acquired on acquisition of control in jointly controlled entities	46	-

There were no business combinations by the Group during the year ended 31 March 2020.

The Group recognises non-controlling interests in the acquired entity either at fair value or at non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on acquisition-by-acquisition basis. For the non-controlling interests in Acquisition of entities which were earlier under joint control, the group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

(b) Transaction with non-controlling interests

(i) Acquisition of additional interest

ReNew Akshay Urja Limited

On 25 September 2020, the Group acquired an additional 44% interest in the voting shares of Renew Akshay Urja Limited, increasing its ownership interest to 100%. Cash consideration of INR 1,515 was paid to the non-controlling shareholders.

The carrying value of the net assets of Renew Akshay Urja Limited was INR 2,656. The carrying value of the additional interest acquired at the date of acquisition was INR 1,448.

ReNew Solar Energy (Karnataka) Private Limited

On 19 June 2019, the Group acquired an additional 49% interest in the voting shares of ReNew Solar Energy (Karnataka) Private Limited, increasing its ownership interest to 100%. Cash consideration of INR 561 was paid to the non-controlling shareholders. The carrying value of the net assets of ReNew Solar Energy (Karnataka) Private Limited (excluding goodwill on the original acquisition) was INR 687. The carrying value of the additional interest acquired at the date of acquisition was INR 337.

	For the year ended 31 March 2021	For the year ended 31 March 2020
Particulars	**ReNew Akshay Urja Limited**	**ReNew Solar Energy (Karnataka) Private**
Date of transaction with non-controlling interests	**25 September 2020**	**19 June 2019**
Segment	**Solar power**	**Solar power**
Change in interest (%)	**44.00%**	**49.00%**
Non-controlling interest acquired	1,448	337
Cash consideration paid to non-controlling shareholders	1,515	561
Difference recognised in capital reserve within equity	**(67)**	**(224)**

There are other insignificant acquisitions of non-controlling interest amounting to INR 14 for the year ended 31 March 2021 (31 March 2020: INR 82)

(ii) Change in interest without loss of control

On 28 March 2020, the Group entered into a transaction with GS Engineering & Construction Corp to issue equity equivalent to 49% interest in the voting shares of ReNew Solar Energy (Jharkhand Three) Private Limited, decreasing its ownership interest to 51%. Cash consideration of INR 832 was received from the non-controlling shareholders. The carrying value of the net assets of ReNew Solar Energy (Jharkhand Three) Private Limited was INR 601.

On 4 March 2020, the Group entered into a transaction with investors to issue 98.61% interest in the voting shares of ReNew Surya Mitra Private Limited, decreasing its ownership interest to 1.39%. Cash consideration of INR 14 was received from the non-controlling shareholders.

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

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

	For the year ended 31 March 2020	
Particulars	**ReNew Solar Energy (Jharkhand Three) Private Limited**	**ReNew Surya Mitra Private Limited**
Date of transaction with non-controlling interests	**28 March 2020**	**4 March 2020**
Segment	**Solar power**	**Solar power**
Change in interest (%)	**49.00%**	**98.61%**
Recognised in non-controlling interests	833	14
Cash consideration received from non-controlling shareholders	832	14
Difference recognised in retained earnings within equity	**(1)**	-

There are other insignificant additions to non-controlling interest amounting to INR 8 for the year ended 31 March 2021 (31 March 2020: INR 6).

S. R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

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

Name of the entity	As at 31 March 2021		For the year ended 31 March 2021					
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent	**32%**	**64,715**	**62%**	**(4,790)**	**12%**	**(508)**	**48%**	**(5,298)**
Indian subsidiaries								
ReNew Wind Energy (Rajasthan) Private Limited	1%	1,713	(0%)	15	0%	-	(0%)	15
ReNew Wind Energy (Welturi) Private Limited	0%	182	(0%)	19	0%	-	(0%)	19
ReNew Wind Energy (Devgarh) Private Limited	2%	3,197	(1%)	72	(4%)	131	(2%)	202
ReNew Wind Energy (Karnataka) Private Limited	1%	1,670	(2%)	182	0%	-	(2%)	182
ReNew Wind Energy (AP) Private Limited	1%	1,325	(0%)	37	0%	-	(0%)	37
ReNew Wind Energy (Rajkot) Private Limited	1%	1,617	0%	(21)	0%	-	0%	(21)
ReNew Wind Energy (Jath) Limited	1%	1,559	(0%)	29	0%	-	(0%)	29
ReNew Wind Energy (Delhi) Private Limited	0%	904	(0%)	39	0%	-	(0%)	39
ReNew Wind Energy (Shivpur) Private Limited	1%	1,528	0%	(25)	0%	-	0%	(25)
ReNew Wind Energy (Jadeswar) Private Limited	0%	539	(0%)	30	0%	-	(0%)	30
ReNew Wind Energy (Varekarwadi) Private Limited	1%	2,412	(1%)	93	0%	-	(1%)	93
ReNew Wind Energy MP Private Limited	0%	559	(0%)	32	0%	-	(0%)	32
ReNew Wind Energy (AP 3) Private Limited	1%	1,294	0%	(8)	0%	-	0%	(8)
ReNew Wind Energy (MP Two) Private Limited	1%	1,120	(1%)	93	0%	-	(1%)	93
ReNew Wind Energy (Rajasthan One) Private Limited	1%	1,175	0%	(34)	0%	-	0%	(34)
ReNew Wind Energy (Sipla) Private Limited	0%	604	(3%)	195	1%	(30)	(1%)	166
ReNew Wind Energy (Jamb) Private Limited	(0%)	(466)	8%	(581)	0%	-	5%	(581)
ReNew Wind Energy (Orissa) Private Limited	(0%)	(186)	3%	(241)	0%	-	2%	(241)
ReNew Wind Energy (TN) Private Limited	(0%)	(261)	1%	(91)	0%	-	1%	(91)
ReNew Wind Energy (Rajasthan 2) Private Limited	(0%)	(5)	0%	(0)	0%	-	0%	(0)
ReNew Wind Energy (AP 2) Private Limited	2%	4,397	5%	(393)	0%	-	4%	(393)
ReNew Wind Energy (Karnataka Two) Private Limited	(0%)	(13)	0%	(1)	0%	-	0%	(1)
ReNew Wind Energy (Vaspet 5) Private Limited	(0%)	(6)	0%	(1)	0%	-	0%	(1)
ReNew Wind Energy (Jath Three) Private Limited	(0%)	(8)	0%	(3)	0%	-	0%	(3)
ReNew Wind Energy (AP 4) Private Limited	(0%)	(8)	0%	(1)	0%	-	0%	(1)
ReNew Wind Energy (MP One) Private Limited	(0%)	(89)	0%	(5)	0%	-	0%	(5)
ReNew Wind Energy (Karnataka Five) Private Limited	(0%)	(50)	0%	(3)	0%	-	0%	(3)
ReNew Wind Energy (Rajasthan 3) Private Limited	1%	1,873	1%	(90)	(12%)	388	(3%)	298
Narmada Wind Energy Private Limited	0%	621	1%	(56)	0%	-	1%	(56)
Abaha Wind Energy Private Limited	(0%)	(11)	0%	(1)	0%	-	0%	(1)
Helios Infratech Private Limited	0%	576	3%	(221)	(2%)	75	1%	(145)
Shruti Power Private Limited	0%	235	0%	(15)	0%	-	0%	(15)
Molagavalli Renewable Private Limited	0%	688	(0%)	11	0%	-	(0%)	11
KCT Renewable Energy Private Limited	1%	2,385	4%	(283)	0%	-	3%	(283)
Kanak Renewables Limited	(0%)	(150)	0%	(18)	1%	(31)	0%	(49)
Rajat Renewables Limited	(0%)	(34)	(0%)	5	0%	(6)	0%	(1)
Pugalur Renewable Private Limited	2%	3,544	2%	(139)	0%	-	1%	(139)
Bidwal Renewable Private Limited	1%	2,521	1%	(92)	0%	-	1%	(92)
Zemira Renewable Energy Limited	(0%)	(256)	4%	(304)	0%	-	3%	(304)
ReNew Solar Power Private Limited	10%	20,655	14%	(1,078)	9%	(283)	12%	(1,361)
ReNew Solar Energy Private Limited	1%	2,510	(0%)	8	(0%)	0	(0%)	8
ReNew Solar Energy (Rajasthan) Private Limited	0%	928	0%	(12)	0%	-	0%	(12)
ReNew Solar Energy (TN) Private Limited	1%	1,373	(3%)	222	0%	-	(2%)	222
ReNew Solar Energy (Karnataka) Private Limited	0%	708	(1%)	75	0%	-	(1%)	75
ReNew Akshay Urja Limited	2%	3,614	(4%)	343	0%	-	(3%)	343
ReNew Solar Energy (Telangana) Private Limited	1%	1,528	(0%)	26	(2%)	61	(1%)	88
ReNew Saur Urja Private Limited	1%	2,390	(2%)	136	(2%)	82	(2%)	218
ReNew Clean Energy Private Limited	(0%)	(87)	(1%)	79	8%	(283)	2%	(204)
ReNew Solar Services Private Limited	(0%)	(108)	2%	(161)	0%	(1)	1%	(162)
ReNew Agni Power Private Limited	0%	81	0%	(11)	0%	-	0%	(11)
ReNew Mega Solar Power Private Limited	0%	630	(0%)	15	(0%)	8	(0%)	23
ReNew Saur Shakti Private Limited	1%	1,193	(0%)	23	1%	(20)	(0%)	3
ReNew Solar Energy (Jharkhand One) Private Limited	(0%)	(254)	(1%)	73	25%	(836)	7%	(762)
ReNew Solar Energy (Jharkhand Two) Private Limited	7%	15,105	11%	(829)	(0%)	1	7%	(828)
ReNew Solar Energy (Jharkhand Three) Private Limited	0%	351	1%	(47)	7%	(235)	3%	(283)
ReNew Solar Energy (Jharkhand Four) Private Limited	2%	3,335	1%	(73)	0%	-	1%	(73)
ReNew Solar Energy (Jharkhand Five) Private Limited	0%	591	(0%)	14	5%	(159)	1%	(145)
ReNew Solar Energy (Karnataka Two) Private Limited	0%	619	(1%)	59	0%	-	(1%)	59
ReNew Wind Energy (Karnataka 3) Private Limited	0%	35	0%	(21)	0%	-	0%	(21)
ReNew Wind Energy (MP Four) Private Limited	0%	59	0%	(18)	0%	-	0%	(18)
ReNew Wind Energy (MP Three) Private Limited	(0%)	(97)	1%	(48)	0%	-	0%	(48)
ReNew Wind Energy (Rajasthan Four) Private Limited	(0%)	(85)	1%	(57)	0%	-	1%	(57)
ReNew Wind Energy (Maharashtra) Private Limited	(0%)	(113)	1%	(54)	0%	-	0%	(54)
ReNew Wind Energy (Karnataka 4) Private Limited	0%	42	0%	(11)	0%	-	0%	(11)
Bhumi Prakash Private Limited	(0%)	(45)	0%	(27)	0%	(13)	0%	(40)
Tarun Kiran Bhoomi Private Limited	(0%)	(108)	1%	(51)	0%	-	0%	(51)
ReNew Wind Energy (AP Five) Private Limited	(0%)	(10)	0%	(2)	0%	-	0%	(2)
Symphony Vyapaar Private Limited	0%	415	(0%)	23	0%	-	(0%)	23
Lexicon Vanijya Private Limited	0%	416	(0%)	28	0%	-	(0%)	28
Star Solar Power Private Limited	0%	178	(0%)	10	0%	-	(0%)	10
Sungold Energy Private Limited	0%	176	(0%)	11	0%	-	(0%)	11
ReNew Wind Energy (Budh 3) Private Limited	0%	191	(0%)	16	4%	(121)	1%	(106)
ReNew Wind Energy (TN 2) Private Limited	1%	1,755	(2%)	139	1%	(37)	(1%)	102

S.R. BATLIBOI & CO. LLP GURUGRAM

ReNew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

Name of the entity	As at 31 March 2021		For the year ended 31 March 2021					
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
ReNew Distributed Solar Services Private Limited	0%	46	0%	(5)	0%	-	0%	(5)
ReNew Distributed Solar Energy Private Limited	0%	53	0%	(0)	0%	-	0%	(0)
ReNew Distributed Solar Power Private Limited	0%	41	0%	(3)	0%	-	0%	(3)
ReNew Surya Mitra Private Limited	0%	30	0%	(0)	0%	-	0%	(0)
ReNew Surya Prakash Private Limited	0%	55	0%	(4)	0%	-	0%	(4)
ReNew Saur Vidyut Private Limited	0%	110	(0%)	0	0%	-	(0%)	0
ReNew Energy Services Private Limited	0%	43	0%	(0)	0%	-	0%	(0)
ReNew Solar Sun Flame Private Limited	0%	2	0%	(13)	0%	-	0%	(13)
ReNew Solar Daylight Energy Private Limited	0%	24	(0%)	3	0%	-	(0%)	3
Vivasvat Solar Energy Private Limited	0%	186	0%	(8)	0%	-	0%	(8)
Nokor Solar Energy Private Limited	0%	238	0%	(1)	0%	-	0%	(1)
Akhilagya Solar Energy Private Limited	0%	256	0%	(0)	0%	-	0%	(0)
Abha Sunlight Private Limited	0%	213	0%	(32)	0%	-	0%	(32)
Izra Solar Energy Private Limited	0%	233	0%	(26)	0%	-	0%	(26)
Nokor Bhoomi Private Limited	0%	261	0%	(4)	0%	-	0%	(4)
Zorya Solar Energy Private Limited	(0%)	(17)	0%	(2)	0%	-	0%	(2)
ReNew Transmission Ventures Private Limited	(0%)	(177)	1%	(71)	0%	-	1%	(71)
Adyah Solar Energy Private Limited	0%	-	2%	(165)	0%	-	1%	(165)
Ostro Energy Private Limited	9%	19,279	1%	(71)	(0%)	2	1%	(69)
Ostro Rann Wind Private Limited	(0%)	(2)	0%	(1)	0%	-	0%	(1)
Ostro Alpha Wind Private Limited	(0%)	(2)	0%	(0)	0%	-	0%	(0)
Ostro Bhesada Wind Private Limited	(0%)	(2)	0%	(0)	0%	-	0%	(0)
Ostro Dakshin Power Private Limited	1%	2,581	(2%)	183	0%	-	(2%)	183
Ostro Dhar Wind Private Limited	(0%)	(4)	0%	(1)	0%	-	0%	(1)
Ostro Kutch Wind Private Limited	1%	2,192	1%	(74)	0%	-	1%	(74)
Ostro Kannada Power Private Limited	(0%)	(13)	0%	(10)	0%	-	0%	(10)
Ostro Raj Wind Private Limited	0%	1	0%	(1)	0%	-	0%	(1)
Ostro Jaisalmer Private Limited	1%	1,570	(1%)	88	0%	-	(1%)	88
Ostro Madhya Wind Private Limited	1%	2,322	(2%)	180	0%	-	(2%)	180
Ostro Mahawind Power Private Limited	0%	742	(1%)	104	0%	-	(1%)	104
Ostro Anantapur Private Limited	1%	1,207	4%	(325)	0%	-	3%	(325)
Ostro Renewables Private Limited	0%	947	(1%)	50	0%	-	(0%)	50
AVP Powerinfra Private Limited	0%	613	(0%)	9	0%	-	(0%)	9
Badoni Power Private Limited	0%	565	0%	(11)	0%	-	0%	(11)
Ostro Andhra Wind Private Limited	1%	1,513	2%	(172)	0%	-	2%	(172)
Ostro AP Wind Private Limited	1%	1,618	3%	(211)	0%	-	2%	(211)
Ostro Urja Wind Private Limited	1%	1,703	(0%)	25	0%	-	(0%)	25
Auxo Solar Energy Private Limited	(0%)	(70)	0%	(4)	0%	-	0%	(4)
Zorya Distributed Power Services Private Limited	(0%)	(1)	0%	(0)	0%	-	0%	(0)
ReNew Cleantech Private Limited	0%	34	(0%)	4	0%	-	(0%)	4
Prathamesh Solarfarms Limited	1%	1,099	(1%)	42	0%	-	(0%)	42
ReNew Mega Light Private Limited	0%	79	(0%)	9	0%	-	(0%)	9
ReNew Sun Waves Private Limited	1%	2,406	(4%)	282	8%	(258)	(0%)	25
ReNew Sun Flash Private Limited	0%	2	(0%)	2	0%	-	(0%)	2
ReNew Sun Bright Private Limited	1%	1,569	(2%)	190	7%	(233)	0%	(43)
ReNew Sun Energy Private Limited	0%	829	(0%)	8	3%	(114)	1%	(106)
Auxo Sunlight Private Limited	(0%)	(14)	0%	(13)	2%	(50)	1%	(63)
ReNew Sun Ability Private Limited	0%	6	(0%)	4	0%	-	(0%)	4
ReNew Services Private Limited	0%	98	(1%)	85	(0%)	0	(1%)	85
Greenyana Sunstream Private Limited	(0%)	(35)	0%	(27)	0%	-	0%	(27)
Renew Green Solution Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Sun Power Private Limited	(0%)	(14)	0%	(14)	1%	(50)	1%	(63)
Renew Mega Urja Private Limited	0%	37	0%	(4)	0%	-	0%	(4)
Renew Mega Spark Private Limited	0%	0	(0%)	1	0%	-	(0%)	1
Renew Mega Green Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Green Power Private Limited	0%	1	(0%)	2	0%	-	(0%)	2
Renew Green Energy Private Limited	0%	0	(0%)	0	0%	-	(0%)	0
Renew Solar Urja Private Limited	(0%)	(226)	0%	(1)	7%	(225)	2%	(226)
Renew Surya Ojas Private Limited	(0%)	(3)	0%	(3)	0%	-	0%	(3)
Renew Vyan Shakti Pvt Ltd	(0%)	(2)	0%	(2)	0%	-	0%	(2)
Shekhawati Solar Park Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Vyoman Energy Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Vyoman Power Private Limited	(0%)	(2)	0%	(2)	0%	-	0%	(2)
Renew Surya Vihaan Private Limited	(0%)	(116)	(0%)	4	4%	(119)	1%	(116)
Renew Surya Roshni Private Limited	(0%)	(244)	(0%)	8	8%	(253)	2%	(244)
ReNew Surya Pratap Private Limited	0%	861	(0%)	21	0%	-	(0%)	21
ReNew Solar Vidhi Private Limited	(0%)	(74)	(0%)	3	2%	(77)	1%	(74)
Regent Climate Connect Knowledge Solutions Private Limited	(0%)	(28)	0%	(33)	(0%)	0	0%	(32)
ReNew Surya Alok Private Limited	0%	16	0%	(2)	0%	-	0%	(2)
Renew Surya Kiran Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Stellar Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Solar Piyush Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Surya Uday Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Surya Tejas Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Surya Jyoti Private Limited	0%	863	(0%)	23	0%	-	(0%)	23
ReNew Surya Aayan Private Limited	(0%)	(138)	0%	(2)	4%	(135)	1%	(138)
Heramba ReNewables Limited	0%	65	(0%)	14	0%	-	(0%)	14
Aalok Solarfarms Limited	0%	39	(0%)	7	0%	-	(0%)	7
Shreyas Solarfarms Limited	0%	83	(0%)	9	0%	-	(0%)	9
Abha Solarfarms Limited	0%	36	(0%)	7	0%	-	(0%)	7
Renew Pawan Urja Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Pawan Shakti Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Photovolitics Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Vayu Power Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Vayu Energy Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Sun Renewables Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Sunlight Energy Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Sun Shakti Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)

Renew Power Private Limited

S.R. Batliboi & Co. LLP Gurugram

(Amounts in INR millions, unless otherwise stated)

Name of the entity	As at 31 March 2021		For the year ended 31 March 2021					
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Foreign subsidiaries								
ReNew Power Singapore PTE	(0%)	(3)	0%	(0)	(0%)	0	0%	(0)
ReNew Americas Inc	0%	-	0%	(3)	(0%)	6	(0%)	3
ReNew Power International Limited	0%	91	0%	(18)	0%	(8)	0%	(26)
	100%	**205,052**	**98%**	**(7,737)**	**92%**	**(3,331)**	**100%**	**(11,065)**
Non Controlling interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	-	(109)	-	(35)	-	-	-	(35)
ReNew Wind Energy (AP) Private Limited	-	136	-	14	-	-	-	14
ReNew Solar Energy (Telangana) Private Limited	-	793	-	(254)	-	59	-	(195)
ReNew Mega Solar Power Private Limited	-	540	-	14	-	7	-	22
Renew Surya Mitra Pvt Ltd	-	14	-	(0)	-	-	-	(0)
ReNew Akshay Urja Limited	-	-	-	23	-	-	-	23
ReNew Surya Alok Private Limited	-	7	-	(1)	-	-	-	(1)
Renew Solar Energy (Jharkhand Three) Pvt Ltd	-	754	-	(46)	-	(1)	-	(47)
Heramba Renewables Limited	-	49	-	1	-	-	-	1
Aalok Solarfarms Limited	-	20	-	0	-	-	-	0
Shreyas Solarfarms Limited	-	20	-	0	-	-	-	0
Abha Solarfarms Limited	-	20	-	0	-	-	-	0
Entities under joint control								
Heramba Renewables Limited	-	-	-	(18)	-	-	-	(18)
Aalok Solarfarms Limited	-	-	-	(9)	-	-	-	(9)
Shreyas Solarfarms Limited	-	-	-	(21)	-	-	-	(21)
Abha Solarfarms Limited	-	-	-	(9)	-	-	-	(9)
VG DTL Transmissions Private Limited	-	246	-	-	-	-	-	-
Adjustments arising out of consolidation	-	(150,787)	-	(191)	-	(815)	-	(1,010)
Total		**56,755**		**(8,269)**		**(4,081)**		**(12,350)**

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(Amounts in INR millions, unless otherwise stated)

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

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

ReNew Power Private Limited

S. R. BATLIBOI & CO. LLP GURUGRAM

(Amounts in INR millions, unless otherwise stated)

Name of the entity	As at 31 March 2020		For the year ended 31 March 2020					
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
ReNew Distributed Solar Services Private Limited	0%	50	0%	(1)	0%	-	0%	(1)
ReNew Distributed Solar Energy Private Limited	0%	54	0%	(5)	0%	-	0%	(5)
ReNew Distributed Solar Power Private Limited	0%	45	0%	(6)	0%	-	0%	(6)
ReNew Surya Mitra Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Surya Prakash Private Limited	0%	58	0%	(3)	0%	-	0%	(3)
ReNew Saur Vidyut Private Limited	0%	109	(0%)	1	0%	-	(0%)	1
ReNew Energy Services Private Limited	0%	44	0%	(1)	0%	-	0%	(1)
ReNew Solar Sun Flame Private Limited	0%	15	0%	(25)	0%	-	0%	(25)
ReNew Solar Daylight Energy Private Limited	(0%)	(1)	0%	(1)	0%	-	0%	(1)
Vivasvat Solar Energy Private Limited	0%	257	0%	(2)	(3%)	19	(0%)	16
Nokor Solar Energy Private Limited	(0%)	(3)	0%	(3)	(3%)	18	(0%)	16
Akhilagya Solar Energy Private Limited	(0%)	(5)	0%	(5)	(3%)	18	(0%)	14
Abha Sunlight Private Limited	(0%)	(2)	0%	(1)	(1%)	3	(0%)	2
Izra Solar Energy Private Limited	(0%)	(4)	0%	(3)	(1%)	4	(0%)	0
Nokor Bhoomi Private Limited	(0%)	(9)	0%	(8)	(1%)	4	0%	(5)
Zorya Solar Energy Private Limited	(0%)	(16)	0%	(15)	(1%)	4	0%	(11)
ReNew Transmission Ventures Private Limited	(0%)	(106)	1%	(64)	0%	-	1%	(64)
Adyah Solar Energy Private Limited	(0%)	(492)	11%	(550)	(8%)	47	9%	(503)
Ostro Energy Private Limited	10%	19.156	(2%)	119	(0%)	0	(2%)	120
Ostro Rann Wind Private Limited	(0%)	(1)	0%	(3)	0%	-	0%	(3)
Ostro Alpha Wind Private Limited	(0%)	(2)	0%	(1)	0%	-	0%	(1)
Ostro Bhesada Wind Private Limited	(0%)	(1)	0%	(0)	0%	-	0%	(0)
Ostro Dakshin Power Private Limited	1%	1.960	(4%)	199	0%	-	(3%)	199
Ostro Dhar Wind Private Limited	(0%)	(3)	0%	(1)	0%	-	0%	(1)
Ostro Kutch Wind Private Limited	1%	1.365	(2%)	118	0%	-	(2%)	118
Ostro Kannada Power Private Limited	(0%)	(3)	0%	(3)	0%	-	0%	(3)
Ostro Raj Wind Private Limited	0%	1	0%	(5)	0%	-	0%	(5)
Ostro Jaisalmer Private Limited	1%	1.482	(2%)	111	0%	-	(2%)	111
Ostro Madhya Wind Private Limited	1%	2.142	(4%)	188	0%	-	(3%)	188
Ostro Mahawind Power Private Limited	0%	638	0%	(11)	0%	-	0%	(11)
Ostro Anantapur Private Limited	1%	1.532	5%	(251)	0%	-	4%	(251)
Ostro Renewables Private Limited	0%	897	(0%)	17	0%	-	(0%)	17
AVP Powerinfra Private Limited	0%	603	(0%)	16	0%	-	(0%)	16
Badoni Power Private Limited	0%	576	0%	(0)	0%	-	0%	(0)
Ostro Andhra Wind Private Limited	1%	1.686	5%	(281)	0%	-	5%	(281)
Ostro AP Wind Private Limited	1%	1.829	5%	(253)	0%	-	4%	(253)
Ostro Urja Wind Private Limited	1%	1.677	(0%)	15	0%	-	(0%)	15
Auxo Solar Energy Private Limited	(0%)	(66)	1%	(65)	0%	-	1%	(65)
Zorya Distributed Power Services Private Limited	(0%)	(1)	0%	(2)	0%	-	0%	(2)
ReNew Cleantech Private Limited	0%	2	(0%)	2	0%	-	(0%)	2
Prathamesh Solarfarms Limited	1%	1.057	(0%)	16	0%	-	(0%)	16
ReNew Mega Light Private Limited	0%	113	0%	(0)	0%	-	0%	(0)
ReNew Sun Waves Private Limited	0%	258	0%	(0)	(45%)	258	(5%)	257
ReNew Sun Flash Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Sun Bright Private Limited	0%	252	(0%)	19	(41%)	233	(4%)	251
ReNew Sun Energy Private Limited	0%	110	0%	(3)	(20%)	114	(2%)	110
Auxo Sunlight Private Limited	0%	50	0%	(1)	(9%)	50	(1%)	50
ReNew Sun Ability Private Limited	0%	1	(0%)	1	0%	-	(0%)	1
ReNew Services Private Limited	0%	13	(0%)	13	(0%)	0	(0%)	13
Greenyana Sunstream Private Limited	(0%)	(9)	0%	(8)	0%	-	0%	(8)
Renew Green Solution Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Sun Power Private Limited	0%	49	0%	(1)	(9%)	50	(1%)	49
Renew Mega Urja Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Mega Spark Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Mega Green Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
ReNew Green Power Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Green Energy Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	(0)
Renew Solar Urja Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	-
Renew Surya Ojas Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	-
Renew Vyan Shakti Pvt Ltd	0%	0	0%	(0)	0%	-	0%	-
Shekhawati Solar Park Private Limited	(0%)	(0)	0%	-	0%	-	0%	-
Renew Vyoman Energy Private Limited	0%	0	0%	(0)	0%	-	0%	-
Renew Vyoman Power Private Limited	0%	0	0%	(0)	0%	-	0%	-
Renew Surya Vihaan Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	-
Renew Surya Roshni Private Limited	(0%)	(0)	0%	(0)	0%	-	0%	-
Foreign subsidiaries								
ReNew Power Singapore PTE	(0%)	(3)	0%	(2)	0%	(0)	0%	(2)
ReNew Americas Inc	0%	164	(2%)	100	(1%)	5	(2%)	105
ReNew Power International Limited	0%	101	0%	(2)	(0%)	3	(0%)	0
	100%	**189,808**	**100%**	**(5,137)**	**100%**	**(567)**	**100%**	**(5,709)**

S. R. BATLIBOI & CO. LLP GURUGRAM

Renew Power Private Limited

(Amounts in INR millions, unless otherwise stated)

Name of the entity	As at 31 March 2020		For the year ended 31 March 2020					
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Non Controlling interests in all subsidiaries								
ReNew Wind Energy (Karnataka) Private Limited	-	(91)	-	(107)	-	-	-	(107)
ReNew Wind Energy (AP) Private Limited	-	123	-	15	-	-	-	15
ReNew Solar Energy (Karnataka) Private Limited	-	-	-	-	-	-	-	-
ReNew Akshay Urja Limited	-	1,426	-	69	-	-	-	69
ReNew Solar Energy (Telangana) Private Limited	-	987	-	(170)	-	(64)	-	(234)
ReNew Mega Solar Power Private Limited	-	518	-	18	-	(10)	-	8
Renew Surya Mitra Pvt Ltd	-	14	-	(0)	-	-	-	(0)
Renew Solar Energy (Jharkhand Three) Pvt Ltd	-	833	-	(0)	-	1	-	1
Entities under joint control								
Heramba Renewables Limited	-	170	-	(16)	-	-	-	(16)
Aalok Solarfarms Limited	-	91	-	(9)	-	-	-	(9)
Shreyas Solarfarms Limited	-	174	-	(18)	-	-	-	(18)
Abha Solarfarms Limited	-	89	-	(10)	-	-	-	(10)
Adjustments arising out of consolidation	-	(123,048)	-	339	-	9	-	353
Total		71,094		(5,026)		(631)		(5,657)

S. R. BATLIBOI & CO. LLP GURUGRAM

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Renew Power Private Limited

58 Significant accounting judgments, estimates and assumptions

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

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

A) Accounting Judgements:

Taxes

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

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

Depreciation on property, plant and equipment

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

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

Identification of a lease

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

B) Estimates and assumptions:

Capitalisation of internal costs

The Group capitalises certain internal costs incurred in connection with development of its wind and solar power Projects as eligible cost of property, plant and equipment as per Ind AS 16. The capitalisation of these costs during the construction period (including internal Employee benefit costs and other common expenses) begins when development efforts commence and ends when the asset is ready for its intended use. These expenses are allocated to all the wind and solar power projects of the Group in the form of 'Management Shared Services'. Allocation of cost to the entities involves various estimates including retention for costs of management of investments in subsidiaries, allocation of cost for projects under construction vis-a-vis operating projects, profit mark-up which are assessed through an external expert. The capitalisation of internal costs increases construction in progress recognized during development of the related project asset and depreciated over its estimated useful life.

The Group capitalised such internal costs amounting to INR 1,708 during the year ended 31 March 2021 (31 March 2020: INR 1,743).

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 46 and 47 for further disclosures.

Useful life of depreciable assets

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

Provision for decommissioning

Upon the expiration of the life of the wind and solar power plants, the Group considers a constructive obligation to remove the wind and solar power plant and restore the land. The Group records the fair value of the liability for the obligation to retire the asset in the year in which the obligation is incurred, which is generally when the asset is constructed. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to decommission the power projects from the site and the expected timing of those costs. Refer note 23 for further disclosures.

S.R. Batliboi & Co. LLP Gurugram

ReNew Power Private Limited

Provision for expected credit losses of trade receivables

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 15.

Impairment of goodwill

The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Note 6).

59 Code on Social Security, 2020

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

60 Impact of COVID-19

Due to outbreak of COVID-19 in India and globally, the Group has continued its assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. Considering that the Group is in the business of generation of electricity which is an essential service as emphasised by the Ministry of Home Affairs and Ministry of Power, Government of India and which is granted "Must Run" status by Ministry of New and Renewable Energy (MNRE), the management believes that the impact of outbreak on the business and financial position of the Group is not significant.

Further, MNRE directed that the payment to Renewable Energy power generator shall be done on regular basis as being done prior to lockdown and the Group has generally received regular collection from its customer(s). The management does not see any risks in the Group ability to continue as a going concern and has been able to service all debts obligations during the half year, however in certain cases has opted for moratorium for interest and principal instalments falling due to lenders under the "Reserve Bank of India's COVID 19 – Regulatory Package dated 27 March 2020". The Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimise the impact of the unprecedented situation.

61 Plan for initial public offering

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

62 Subsequent events

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

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

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

S. R. BATLIBOI & CO. LLP GURUGRAM

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

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

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

D Muthukumaran
(Chief Financial Officer)

Place: Gurugram
Date: 29 July 2021

ReNew Power Private Limited

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